Exhibit EE

Party of Regions Party Congress Kiev, Ukraine

December 3rd, 2005

Pre-Program:

12:30 p.m. Band in Plaza begins playing

1:00 p.m. Bands in Sports Palace Hallway begin playing

11:45 a.m. Cue video slide no.1 (full screen flash logo)

Cue Walk-In Music

1:50 p.m. THE LEADER arrives Sports Palace

THE LEADER is escorted to off stage announce area

Met by: TBD

Bobby Peede

1:50 p.m. Speakers arrive Sports palace

Met by: TBD

Program:

2:00 p.m. Off Stage introduction of Anchor (TBD)

Video cue (Wallpaper) Lighting cue (TBD)

2:02 p.m. Anchor makes brief remarks and Introduces Kushnerov (sp?)

2:03 p.m. Cue Walk-In music

Cue follow spot Video cue (TBD)

Kushnerov enters stage left from raised walkway

2:04 p.m. Kushnerov makes remarks

2:06 p.m. Kushnerov intros speaker two

Kushnerov stay on stage Speaker two enters stage left

Lighting cue (TBD) Video cue (TBD)

2:07 p.m. Speaker two makes remarks

Lighting cue (TBD) Video cue (TBD)

2:09 p.m.

Speaker two concludes remarks

Speaker two stays on stage

Kushnerov returns to podium and introduces speaker three

Speaker three enters stage left

Lighting cue (TBD) Video cue (TBD)

2:11 p.m.

Speaker three makes remarks

Lighting cue (TBD) Video cue (TBD)

2:13 p.m.

Speaker three concludes remarks

Speaker three joins speaker two on stage

Kushnerov returns to podium and introduces speaker four

Speaker four enters stage left

Lighting cue (TBD) Video cue (TBD)

2:14 p.m.

Speaker four makes remarks

Lighting cue (TBD) Video cue (TBD)

2:16 p.m.

Speaker four concludes remarks

Speaker four introduces THE LEADER

Lighting cue (TBD) Video cue (TBD)

THE LEADER enter stage left

THE LEADER works "rope-line" on the way to the stage
THE LEADER greets Kushnerov/three speakers/pause for photo

Party Anthem

Kushnerov and three speakers depart stage

Lighting cue (TBD) Pyro cue (TBD)

Streamer cannons cue (TBD) Video cue (Ukrainian Flag)

2:20 p.m.

THE LEADER makes remarks

Lighting cue (TBD) Video cue (Wallpaper) 2:30 p.m. THE LEADER concludes remarks

Pauses for applause

Departs stage via front raised walkway

Main screen rises

Greets in VIP Seating area

Seated in VIP Seating area

2:34 p.m. Off-stage announce re-introduces Anchor on stage

Anchor returns to podium Introduces entertainment

Light cue (TBD) Video cue (no video)

2:35 p.m. Entertainment begins program

Lighting cue (TBD)

3:25 p.m. Miners take stage and sing to THE LEADER

3:30 p.m. Off stage announce re-introduces Anchor

Anchor returns to podium

Anchor introduces THE LEADER
THE LEADER returns to stage

Lighting cue (TBD)
Pyro cue (TBD)

3:33 p.m. THE LEADER makes final remarks

THE LEADER invites _____ on stage for Victory Photo

Following Victory Photo THE LEADER departs stage via raised

walkway, works rope line.

Music cue (TBD) Lighting cue (TBD) Pyro Cue (TBD)

3:40 p.m. Program ends

About Victor Vanukovich

Dear Friends,

I have very responsible, but still very pleasant mission to proclaim the fact, which no one ever doubted, but without which we can not regard the 2006 election campaign of our party as officially starting one.

It is certainly joyful for us to state that our Party will be led to the next elections and to significant victories, that will be followed by difficult laborious work and great responsibility for the fate of the Ukrainian state, by our Leader, the Person with the name of whom the Ukrainian nation ties its hopes for peace, prosperity and stable development. The electoral list of the Party of Regions will be headed by Victor Fyodorovich Yanukovich.

For all of us this choice is unequivocal, but is dictated not by some PR developments on artificial creation of am image, but by the whole complicated and outstanding way of struggle, self-formation and great achievements of this person, who by all of his previous life has proven the right to become not only the party, but the national leader. Victor Yanukovich had to go through the hardest school of real life. Having grown up in harsh environment, Victor Fedorovich went through the bitter taste of orphanhood, misery, injustice, but has not broken himself, having been able to independently form himself as a wholesome and outstanding personality. The fate has never given him easy victories, but rather offered him a difficult, thorny way, that only few individuals are able of going through. And only thanks to such challenges and his personal staunchness, perseverance, wisdom and braveness at this intermediary stage of his life he became a real leader, an outstanding statesman, a wise and responsible politician. And he also became a kind friend and a teacher for us all, who were lucky to be his brothers-in-arms and party comrades.

Understanding of premacy of not words, but outstanding and good deeds, not hypocritical complaints about the fate of abstract "ordinary Ukrainians", but the ability to evaluate the honor, see and understand the issues of each citizen of Ukraine made him a real responsible leader. Achievements of the government of Yanukovich in the development of Ukrainian economy and, as a result, in the social sphere, can not be doubted even by his worst opponents.

It seemed like the fate itself gave Ukraine Yanukovich the President, who could for the first time in our new history provide us with a happy, peaceful and stable development of the country. But, when the intrigues of the power-that-be and the new opposition who used to be favorites of the same power put a cruel choice in front of him: the president's office at the price of human blood or refusal from the gained victory, he chose a higher principle of humanism. This was the biggest and the most convincing moral victory of Victor Yanukovich.

Maybe the Divine Intent has determined that we live this fatal year of restoration of Kuchma regime, disregard of human lives and economic devastation, in order to make our party and its Leader more mature and responsible in their actions, and in order to make the people of Ukraine get rid of the orange illusion and make a conscious choice of a better fate.

At the end, I can not help but say a few words about a topic very important for me as a son of Vyacheslav Chornovil. Differently from small-scale politicians, who falsified and discredited the political heritage of Vyacheslav Chornovil, Victor Yanukovich, never boasting of the fact, but in general terms and in numerous details has continued his cause.

I congratulate you that our Party team is going to the next most important elections with its unanimous leader at the head. The Party is running, in order to win and to work hard for the benefit of the whole nation of Ukraine.

2 Sackett

Party of Regions - Stump Speech

Key Elements

- As I travel around the country and hear from my fellow citizens all over our great
 nation, I hear the same thing everywhere I go ... our government has failed us ... the
 Orange revolution was a "hoax."
- Yushchenko, Tymoshenko, Poroshenko ... they sold us a bill of goods. They
 promised to change government and make it work for people ... to make our lives
 better ... to bring us jobs, to provide the social services that we need, to provide
 housing, to stabilize prices, and to give us wages and pensions that will allow us to
 live and raise our families.
- But every day I hear the same thing from the people I meet ... not only have Yushchenko and Tymoshenko not dealt with these problems ... but they have made them worse!
- Fewer people have jobs today ... and more and more of our neighbors and fellow
 citizens throughout our country suffer in poverty. Prices go up and up, and wages for
 those who are lucky enough to have a job do not provide for their needs. and men and
 women have no way to buy even the basic things they need to provide for their
 families.
- And ... the situation is even worse for our senior citizens and pensioners. Pensions
 are dwindling and these brave citizens ... who have worked their whole lives for the
 "dream" of a prosperous and thriving Ukraine ... are forced to live in abject poverty
 ... because of the arrogance and "greed" of those in power.
- And, when the hue and cry from the people became so great that Yushchenko and Tymoshenko were <u>forced</u> to respond, what do the do ... they give us price caps! That's right ... price caps. All this has done has been to make the basic necessities you and I need even more expensive ... to put them even further from our grasp.
- I "grieve" for my countryman ... you, your family members, and other every day
 people who, through no fault of your own, face untold difficulties each and every day
 just to make ends meet.
- This is <u>not</u> the Ukraine we dreamed of ... it is <u>not</u> the Ukraine that Yushchenko and Tymoshenko promised us ... and it is most certainly <u>not</u> the Ukraine we deserve!

- Those in power have wasted the opportunity to bring Ukraine to greatness and provide it's citizens with the lives and opportunities they deserve. Yushchenko, Tymoshenko, and the rest of their "cronies" ... they have proven to us that all they care about is increasing their own personal fortunes ... expanding their own political power ... and fighting with each other in petty squabbles that have nothing to do with improving the living situation for average citizens.
- Yushchenko was right to dismiss the government ... it was the right thing to do. But, it does not absolve him of his responsibility for his failures. Yushchenko and Tymoshenko should be ashamed of what they have done to the people of the Ukraine, and should be even more ashamed of what they have failed to do.
- You know it in your mind and in your heart ... more deeply than my words can
 describe. Yushchenko and Tymoshenko have <u>failed</u> you ... they have <u>failed</u> your
 children ... they have <u>failed</u> your parents ... and they have squandered the chance to
 make our lives better ... they have <u>failed</u> the Ukraine
- They should be ashamed that they have put their own "petty" interests ahead of rescuing the great people of this country from the poverty, unemployment, and miserable standard of living that they force us to bear.
- While our recent past has been a grim tale of greed and lack of compassion, I am
 proud to say that our future provides us <u>opportunity</u>. That is right, <u>you</u> hold the key
 to your future in your own hand,
- In March, the citizens of the Ukraine have the opportunity to make your voices heard
 ... to tell Yushchenko ... to tell Tymoshenko ... and to tell the rest of the selfish who
 have held power ... that it is time for a change.
- With your vote ... you can tell those in power that you will no longer stand idly by
 while our jobs disappear ... while our pensions shrink to nothing ...while prices for
 food and other basic necessities skyrocket out of reach ... and while our government
 does nothing concerned only about themselves.
- With your vote ... you can make the Party of the Regions the voice for the people ...
 you can make us your voice. And, make no mistake, we will be your voice.
- With a majority in Parliament, the Party of the Regions will <u>force</u> the government to focus all it's energy, all of its resources, and all of commitment to one thing making sure that you and your family can afford to live ... that you have a place to live ... that you have a job ... that you can afford to buy the necessities of life ... and that you can provide for your children so they have a bright future.

- This is what the people of the Ukraine need ... this is what they deserve ... and this
 is what the Party of the Regions will accomplish. Our platform is not a complicated
 one ... we don't attempt to "bedazzle" our fellow citizens with lofty promises or
 grand "schemes."
- We are <u>not</u> Yushchenko or Tymoshenko ... we do not promise things we <u>know</u> we can't deliver or pretend to care about problems that we have no intention of dealing with. This is the government we have ... not the government we need.
- The goals of a Party of the Regions parliament are simple, and they are straightforward:
 - stabilize prices so people can afford the things they need
 - reduce unemployment and give people good-paying jobs
 - give people a proper wage and a proper pension

And ...

- a Party of the Regions parliament will not rest while a single one of our fellow citizens must suffer in poverty.
- We have specific proposals and ideas that have been proven to work that we will
 discuss during the campaign ... all we ask is that you listen and then decide for
 yourself. I am confident that we will earn your trust ... and your support.
- One thing that I do wish to make clear from the outset is that our success depends on repairing and strengthening our relations with Russia. The "anti-Russia" policies of Tymoshenko and Yushchenko have <u>hurt</u> us ... <u>all</u> of us, and we <u>cannot</u> strengthen our economy without greater co-operation and mutual relations with Russia. Those in power have proven this for us ... no further evidence is necessary.
- A Party of the Regions parliament will re-establish a "special" relationship with Russia that will be of great benefit to both of our great countries.
- No, some will criticize us for this ... and those in power already have ... they will bellow that our views are "anti-Ukraine" and that we care little for our own country.
- You and I both know this is not true ... that this is nonsense. I first and always am
 proud Ukrainian. There is nothing I care about more deeply than a thriving,
 prosperous, and Independent Ukraine with a rule of law that serves our citizens.
- To have this ... to realize our dream for the full potential of our great nation, we need
 to work with those who can help ... to join in partnerships with those who can aid or
 assist us in reaching our goals.

- Russia can be our friend ... can by our ally ... and can be a partner not a superior entity ... but a partner. A Party of the Regions Parliament will work to make this happen.
- One important step in this direction would be to recognize the important role that Russian (nationals/ethnics) play in the fabric of our Ukrainian citizenry by making Russian the second "official" language of the Ukraine. Many countries have more than one official language, and it serves to strengthen and define a national identity for that country that is unique and unassailable. We must do this in the Ukraine so that we can build a future in which all Ukrainians share in the prosperity and strength that you and I can build together.
- This is who we are and this is what we believe ... we hide nothing ... we don't
 "shade" or "hedge" ... we tell you what we believe and what we would fight for and
 we ask you decide for yourself.
- If you believe that you are better off ... that things in the Ukraine are getting better, that our economy is thriving ... then the Party of the Regions is not for you. But if you believe, as we do, that Yushchenko, Tymoshenko, and those in power have failed you ... that they have put their own interests ahead of yours ... and that they have failed do that which we all know needs to be done to make our lives better ... then we ask you to join us.
- A Party of the Regions parliament will give you back your voice in government. We will put all of our commitment behind policies and programs that will give you a level of financial safety ... so that you can provide for your family. And, we will force government to stop thinking about themselves, and start thinking about helping people.
- We don't have the Ukraine we deserve, but ... with your help, with your partnership ... together we can build the Ukraine we have all dreamed of for so many years.

OUTLINE FOR SPEECH

Welcome to our Party Congress.

As we gather today, we can see the challenges we face as a nation. But we can also see, gathered in this hall, the way to solve our problems. The Party of Regions has been tested, and we are ready to meet the great challenges that Ukraine faces today.

We are united not just in our political ideology, but in our love of country. Our nation is ready to take its place among the great nations of the world. But to do so, we must start anew, and change the course that Ukraine will travel in the years ahead.

This Party Congress represents a new beginning... for Ukraine and for the Party of Regions.

We have a chance... starting with the Parliamentary Elections in March – to change the road that Ukraine will travel in the years ahead.

Today, we come together to say to all Ukraine and to the world that the Party of Regions is ready to lead Ukraine down the right road... to a better future, and we are ready to lead us there today.

History will be the judge of what we did in power, and what others have done. And the verdict of history will not be kind to those who have failed to lead Ukraine to a better place this past year.

Everywhere I go from ___ to ___ I hear the same complaint and concern... our people say that our government has failed us.

Just look at what Leaders of the Orange Revolution said, and then look at what they did.

They said they would change our government and make it work again for the people. Instead, they have given us one of the most irresponsible governments the modern world has seen, a government of bickering, of scandal and of resignations and policy reversals.

They said they would bring us five million jobs by accelerating an economy that was already growing at a record pace. Instead we have lost jobs, and millions are losing hope.

The President and the Prime Minister promised to control prices and increase wages. And what has happened? Prices rose through the roof and wages have fallen through the floor.

Not only have they failed to deal with these and other problems, their failed leadership has actually made the problems worse.

I ask you today ... can we do better?

I tell you today... when the people return the Party of Regions to power... Ukraine will do better. We will improve your life today and in the future.

This government has two fundamental problems... the wrong people are running it, and they are pursuing the wrong policies.

Just look at their approach to skyrocketing prices. At first Yushchenko and Tymoshenko stood by and did nothing, until the cries from the people became so loud that they could no longer ignore them. When they finally were forced to respond, the wrong people in government choose the wrong policy to deal with the problem. They chose price caps, which have only made the problem worse. The cost of basic necessities has risen, and now the cost of living is sliding further and further from the grasp of more and more of Ukraine's people.

They promised hope. They promised jobs. They promised an Orange Revolution... where Ukraine would flourish and all would be well. But their revolution was a hoax... carried out for the cameras and not for the people.

This is not the Ukraine we dreamed of. This is not the Ukraine that all of our people deserve.

Ukraine deserves a government as good as its people. And that is the government that the Party of Regions will give Ukraine... and let me tell you how we will do it.

First... we will change the people at the helm of the government. Yushchenko and Tymoshenko and the cronies they have placed in power care only about themselves and their friends not about our people and our future. They have spent their time in government focused on a single goal... how to increase their own and their families personal fortune.

We have assembled a team who will put the people first, and who will not spend their days scheming to advance themselves at the public expense.

Second, we will change the policies that this government has pursued, so that Ukraine again can pursue the path of progress.

Today, I want to talk with you about those policies, and share with you our plans to bring change and reform Ukraine.

The biggest challenge that we face today is in our economy.

Early next year we will unveil the most comprehensive economic plan in Ukraine's history. In that plan we will present to all of our country and for all over the world to see how we intend to get back to the time when our economy was growing by over 12% a year. That was the time when we last managed this economy.

Our economic plan has three fundamental goals:

- To stabilize prices so people can afford the things they need;
- To reduce unemployment and give people good paying jobs;
- · And to give people a proper wage and proper pension.

The Party of Regions in Parliament will not rest while a single one of our fellow citizens suffers in poverty. We will not let the current government continue to destroy the economy that we worked so hard to build.

To make our economic plan work in the real world, Ukraine must take advantage of our unique place in both geography and history.

The Tymoshenko/Yushchenko government has done its best to burn the bridges with Russia, and the anti-Russian policies of both Tymoshenko and Yushchenko have hurt us all. Ukraine must build bridges to Russia and to the West. We are uniquely and powerfully situated – to have a special relationship with Russia, and a strong relationship with the West as well. But we can not do that if we have leaders who believe that Russia is not our friend and that only through alliance with Europe can we achieve prosperity and progress.

Our opponents believe that to open a road to Europe, we must close the road to Russia. Nothing could be further from the truth. And nothing can be more hurtful to Ukraine's short and long term economic well being.

In power, we will build bridges to our east and to our west. And recognizing the great potential for economic growth that a special relationship with Russia will provide, we will work to make Russian the second official language of Ukraine.

Many countries around the world have more than one official language. In case after case, this reality serves to strengthen and define a national identity for those countries. Russian as the second official language of Ukraine is one way we will build new bridges to our friends and neighbors. It is one way we will create new jobs and recognize the unique role that Ukrainians of Russian origin play in the fabric of our society.

And we will strive to change other policies as well. Today our countryman are being over taxed and under served by Ukraine's government. In power, we will fight for a new tax policy that decreases taxes collected on wages and halts the arbitrary activities of tax collectors.

And we will put a cap on something that will work for people in the real world – not a disastrous cap on prices which skewers the market and results in higher prices for all, but a cap on taxes, which will lower the general percentage of taxes collected by tying the tax rate to economic growth in Ukraine. It's a simple and fundamental principle – taxes shouldn't grow while an economy is shrinking. It's a policy we will practice in government that will work well for all our people.

And we will end the greedy power grab of a central government that is attempting to control all aspects of our economy and life. Instead, we will support decentralizing power and the development of stronger local governments – by assigning more power to individual regions.

Unlike our opponents, we truly believe the people should have the power over their government. That is why we will work to have governors and local officials elected by the people, and not appointed by the national government. If people elect their local officials, then those officials will be more responsive and do a better job protecting your financial well being and delivering social services. The time has come to end the cronyism and incompetence of the Yushchenko/Tymoshenko era, and replace it with a government that believes in the people and works for the people.

And we won't stop there. The purpose of government should be to protect its people not cause deliberate hardships.

That is why we will oppose an abrupt end of subsidies to farmers and miners just so Ukraine can be admitted to the World Trade Organization. The Party of Regions believes that these subsidies should be gradually reduced over time and not just cut off all at once. In power, we will take the side of farmers and miners, not bankers and bureaucrats.

And to protect those who lost all their money when the Savings Bank of Ukraine collapsed, the Party of Regions will support using some of the money that the government gets from the sale of the Kryodizhstal Steel Plant to pay back the people who were hurt in that scandal. That is the peoples' money and some of it should go to the people who have been hurt the most.

And so my friends and colleagues - that is our agenda.

To restore the economic vitality that Ukraine enjoyed when we last managed the economy.

To build bridges to the West and to the East, so that Ukraine can take advantage of the assets we have been given.

To stand with people who are hurting the most—by protecting their pensions when they are old and the subsidies that farmers and miners rely on to stay alive today.

And to re-establish our special relationship with Russia, by making Russian the second official language of Ukraine.

By pursuing these policies we can improve your life today and improve Ukraine for tomorrow.

My friends... I love Ukraine. It's a beautiful country and I have seen it from end to end.

Being out of office this past year has been liberating. It has freed us from the past. It has freed us to pursue new ideas and new solutions. It has challenged us to get close to the people and hear what they are saying and what they want from their government.

We have heard and we are ready to provide the strong leadership that is needed to give the people the government they want and the life that they deserve.

I know that if we come together, if we work together, we can achieve great things.

Today, we do not have the Ukraine we deserve. But with your help... tomorrow we will together build the Ukraine of our dreams.

A land of peace.

A place of prosperity.

And a homeland for our people where generations can live and prosper together.

This is our dream.

And with your help this will become Ukraine's reality.

Dear Congress Delegates,

First years of the 21st century will be inscribed in the history of Ukraine as a period when the nation – for the first time throughout its period of independence –stepped onto the accelerated development path.

One could observe it with a naked eye: the legacy of the past, especially in such sensitive areas as freedom of speech, was very notable. But people still sensed changes for the better.

Positive tendencies in the economic development brought about a shift in people's perception from uncertainty about the future towards confidence in their state, in its capability to protect a man of labor.

Our government had accomplished many things towards this end. According to key indicators of economic development its performance has been recognized as most productive over the entire period of independence.

We were fully committed to continuing to pursue the policy aimed at turning Ukraine into Eastern Europe's "economic tiger"

We had all the capacity to make it happen.

Our plans were destroyed by people who were after one thing: money and power.

For that, they afforded turning Ukraine into a testing ground to experiment with techniques of ousting legitimate power in a so called "revolutionary" way.

As concerns the bloodless resolution of last year's orange adventure I may say with responsibility: it is us rather than them who successfully passed this civic maturity test.

It was our supporters who endured the orange psychosis and paid the price of humiliation to save the nation from a fratricidal conflict.

It was our steadfast stamina and responsibility for the fates of 48 million countrymen that made the world acknowledge: Ukraine is indeed a civilized state.

Boris Pasternak once wrote: "with face to face the face isn't seen".

At an arm's length, Maidan leaders might have resembled Che Guevara.

Just a year later, they are now more similar to the picture of Dorian Grey to the people.

The problem of today's government is not their overly ambitious commitments. Their problem is the people asking today why even a portion of those commitments are failed to be delivered.

The year of 2005 will be remembered in Ukraine's history as a year of losses and frustrations. Stability has been replaced with continuous crises – gas crisis, meat crisis, sugar crisis and what have you.

Prices skyrocketed, the country turned into a unreliable, unstable and unpredictable partner.

The deepest crisis however turned out to be the crisis of power.

This leads me to asking a question: could they have been links of one chain? And could they have aspired for one goal – to finally turn our state into a marginal formation, without any future, stagnating on the territory of the former USSR?

How can one otherwise explain the fact that the orange power ended up being totally corrupt?

And that having offered the so called ideals of the Maidan to the people they immediately rushed to achieve their genuine key objective – ownership redistribution?

And that within a record-breaking period of time, they ousted over 18 thousand experienced professionals from the state apparatus?

And that their offices were immediately filled with buddies and relatives who turned out to be scroungers, let alone their professional ignorance?

And that the foreign policy reality now is such that domestically manufactured products may sooner than later appear to be non-competitive?

This last factor may bring about unpredictable effects and seriously destabilize the situation not only within the nation but also in CEE countries and beyond alike.

In my numerous recent trips to Ukraine's regions I have been repeatedly asked: why did it occur and do we stand a chance to break out of this nightmare?

I say: it happened because the new leadership instead of caring for the nation are preoccupied with grabbing more and more power and making more and more profit for themselves.

In the west of Ukraine I asked my interlocutors: you folks supported the orange power, you were the prime source of the Maidan human resource. How many of your kin and friends who had had to emigrate for work could afford repatriation and domestic, decently paid employment after the orange revolution? Silence was an answer.

I told them: you are supporting the pro-western policy of the orange. This is your right. But are you prepared to pay the petrol and gas prices that Western states pay to Russia? Here too, they stayed mute.

Unlike our opponents constituents, supporters of the Party of Regions realize the reason, or rather who is to blame for the misfortunes that so abundantly spilled out after the advent to power of the half-baked revolutionaries.

I think that our key strength is that we were able to preserve our supporters, our voters.

Like before, people have trust in us and no political technology tricks can shake this status quo.

No filthy PR techniques however cynical they are will ever shake their persuasion in the right choice they made a year ago.

Our political opponents have no chances to win a single bit of our electoral space even if they invest in the elections all the cash earned from the sale of another "Krivorizhstal".

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Because we - and not they - know what to do.

Because it is us - and not them - who are professionals and know how to reach national prosperity.

Because it is us – and not them – who are prepared to offer to Ukrainians a program of overcoming deep social and economic crises created by the orange coup.

What does it take? Let me briefly describe the essence of the program of the Party of Regions. The programs with which we are bound to win at the 2006 elections.

In domestic policy.

We perfectly understand that a genuine democracy is impossible wherever poverty and unemployment prevail. The promises to instill the rule of law or to eradicate corruption without doing away with economic causes of these phenomena exemplify sheer populism and demagogy which today's power is demonstrating more than convincingly.

Therefore, early next year, the Party of Regions will promulgate its plan outlining the ways of Ukraine's economy reversal to the state when the GDP growth rates were over 12 percent. May I remind you that this was the growth rate attained by our government.

Without going into details of this plan and the suggested strategy, I will only point out that we are looking into implementing the main state programs we had developed whereby the whole economy of Ukraine will be evolving.

We will continue structural reforms launched in 2003-2004. We will pursue a balanced and responsible budget policy.

We will cut taxes and liquidate the tax burden. Restrictions will be put in place due to which administrative leverage will not be able to control domestic market pricing. Prices growth will be restrained by cutting tax rates and their dependence on the national economy development growth rates. A simple basic principle will work: taxes don't go up as long as economic growth rates are not adequately dynamic.

Furthermore, an at least two-year long moratorium on amending tax laws will be instituted.

We intend to reverse to an investment-innovative development model, to revive economic breakthrough generators: technoparks, priority development areas, free economic zones.

It's a matter of honor for us to restore a favorable investment climate in Ukraine.

We commit ourselves to doubling state investments in agro-industrial complex development in three years.

We will pave the road to new technologies in the rural areas.

Power decentralization will boost macroeconomic growth and reanimation of small and mediumsize businesses activity.

Reforms we will pursue in local self-government will rest on direct elections of regional and local administrations leaders.

Regional communities, acting through their representatives in local councils will autonomously shape up and enforce local budgets.

Moving forward to a federative state system will enable alleviating a deep split-up triggered after the orange jingoes came to power. In case that today's political and administrative status quo remains in place, mutual suspiciousness between communities with different historical past,

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cultural and mental identities will only be exacerbated. And no calls for alignment for the sake of unitarity will help.

Only existence of federative subjects can help preserve unity within the diversity of regions, otherwise the sword of Damocles threatening disintegration will always loom over Ukraine.

In the social domain the Party of Regions is committed to provide employment to each citizen in need of job in accordance with his/her qualification, experience and expertise with an adequate compensation that will ensure decent living and savings opportunities.

to give social protection to disadvantaged and limited capacity citizens; due respect to the family and protection of its values; highly professional military reliant on domestic industries, guaranteeing reliable protection of interests of military service people and their families.

We will effectively – rather than declaratively – reform the youth policy raising the level of social protection to students; annual preferential fares, rise in stipends up to the minimum cost of living.

The youth lending funds will be increased to allow young people to buy education and housing.

The Party of Regions stands for putting in place a new trade union system which will defend hired labor interests at any enterprise irrespective of the form of ownership.

Self-sufficiency of the Pension Fund will be guaranteed.

The Party of Regions believes that Ukrainian citizens' savings lost as a result of the USSR disintegration must be recovered with monies earned from the sale of "Krivorizhstal". This is the people's money which is why its major proportion must be returned to them.

We stand for an official recognition of the Russian language as the second official language in Ukraine.

Quite a few states worldwide including Western Europe are bilingual. But does it threaten their national identity?

Our motto is: two languages, one nation!

The question of the Russian language status does not have a direct bearing on our relations with Russia. Nevertheless, it is a key for understanding why orange leaders created so many problems for the Ukrainian people.

In this connection, let me outline our foreign policy priorities that the Party of Regions will pursue after taking power.

Dear delegates!

Our party does not decline the idea of Ukraine's European integration. This is our principal position, as well as our response to our political opponents accusing us of a solely Eurasian orientation.

Alongside that, we maintain that without close economic cooperation with our great Northern neighbor Ukraine is unable to become the West's equal partner in the conceivable future.

Moreover: by neglecting Russia's strategic interests Ukraine has put itself in a situation when its conformist pro-western policy has become of concern to the West itself.

In any case, foreign political priorities may not be defined the way the current power does: without a scrupulous modeling of possible scenarios in immediate, medium and far-fetched term.

The Party of Regions considers that at this point in its historic development Ukraine must pursue a policy of sensible balancing between the East and the West.

Being as pragmatic in politics as we are, we will build on an assumption that foreign political priorities must work for the benefit of the national economy and well-being of our citizens rather than for the sake of satisfying vested interests of individual financial-industrial groups and forces backing them.

Hence, if cutting subsidies to the agriculture or coal industry are only needed to speed up Ukraine's accession to the WTO, we are against any haste in such accession.

If integration in the Single Economic Space promotes social and economic advancement of our state – we are for the SES.

Dear delegates!

One of the causes of the acting power's crisis is a failure to deliver promises.

The Party of Regions will break this vicious circle of governments' and deputies' irresponsibility before the nation.

We are the only force in Ukraine that presents its election commitments as a mutual responsibility borne by voters and politicians.

Therefore, in the face of all delegates and guests present in this hall I want to solemnly declare:

We warrant that people's deputies from the Party of Regions and the government formed by them will, within three years after coming to power, secure the fulfillment of promises given to voters.

Otherwise, both the government and deputies from the Party of Regions having formed it will voluntarily resign.

This is the word we are giving today to the people. And everyone who knows us has had many opportunities to get reassured: the Party of Regions (the speaker pauses, smiles looks into the audience and speaks on) – is not about dead-heads!

Dear guests!

Let me spend a few moments to talk about who we are hading towards victory with, who we nominate for deputy candidacy at the coming elections.

Our party slate carries the names of people who have shared our political vision and values for a considerable while. They shared the bitterness of temporary setbacks with us, together with us they endured political repressions and cheating.

These are the people that never betrayed and never changed sides. They never rushed to offer their services to yesterdays' opponents.

5

Most of them were nominated by regional organizations.

Our candidates are a sort of a collective portrait of Ukraine representing nominees from all regional communities of Ukraine.

For instance, (speaks a respective name) ... runs as a candidate from Eastern Ukraine. (Another name is spoken) – runs from Western provinces. (Name) is widely known in Crimea, (name) enjoys common renown in and around Kiev.

This slate also includes representatives of ally parties that expressed their commitment to persevere with struggle under the Party of Regions banners and have joined our party ranks.

These are very experienced politicians. Once elected to the parliament they will – in a speedily and professional manner – put in place the legal framework which is essential for implementing our anti-crisis program.

Dear deputies!

A year ago we stood at the Railroad terminal square in Kiev joined by 30 thousand coalminers ready to go and unblock the government's building in order to save the country from the economic collapse. They only waited for a signal.

I came out to my fellow countrymen and said to them: keep waiting, I'll be back. And then, I left for the roundtable meeting.

What happened next is common knowledge as well as common knowledge of why I couldn't be back with the miners.

I asked to let them know that I urged them to get back home as otherwise people's blood could have shed.

It took a year to be back. Which is not too long, especially if one recalls that the Party of Region was compared with Phoenix that revives from ashes.

Our party today enjoys the highest popularity across the whole of Ukraine. And this is only the beginning as the struggle has just started.

I want to call upon all Congress delegates, all members of the Party of Regions and along with them – millions of our voters to join this struggle with optimism and belief.

Together we will by all means win and make our compatriots lives happier.

This won't happen "one fine day". This will happen very soon! As soon as in the spring! 6

MEMORANDUM

TO:

Paul Manafort

FROM:

Oleg Kudinov

RE:

Regional development program

DATE:

December 4, 2005

Per our conversation on Thursday, I would like to share my views on the key objectives and implementation of RPD program in Ukraine.

As I see them, the key objectives of RPDs in the regions are:

Court of over the execution of the strategy developed by DM

- Evaluation and providing feedback on efficiency of communication strategy of the PofR Central headquarters in the regions, analysis of problems and development of proposals to improve it
- Serve as a link between regional organizations, central HQs and DM in ensuring efficient information flow, tracking of issues and providing most up-to-date information on regional developments
- Jointly with regional representative of the Central HQ control over financial expenditures, focusing on funds sent from Kyiv to work with target groups. Advise in the most efficient way of spending funds
- Assistance and consulting to oblast and district headquarters, local candidates in development and implementation of agitation plans, specific agitation programs (help in writing articles to local newspapers, letter, basic documents, organization of mass actions, poll watching, etc)
- Monitoring of activities of PofR and key opponents in the regions, providing timely information on opponents' actions and analyses of their activities for feedback to DM/Central HQ
- Assistance in preparation of visits of Leader and surrogate speakers in the regions, liaison with international observer groups
- Inspection visits jointly with Central HQ representative to other regions

The program should be implemented with full integration into the Central HQ structure (with full coverage of the Democratic Center due to security reasons) and should initially include three groups, each consisting of 2 RPDs. The groups will be deployed and respectively responsible for the following regions:

- Crimea 1 person (responsible for Crimea and Sevastopol)
- 2) Odessa 1 person (responsible for Nikolaev, Herson, Odessa)
- Dnipropetrovsk 1 person, potentially 2 persons (responsible for Dnipropetrovsk and Zaporizhia oblasts
- 4) Donetsk 1 person (responsible for Donetsk, Harkiv and Luhansk)
- Kiev management and coordination of activities (Kudinov + assistant)

I suggest to bring the first group of 3-4 RPDs to Ukraine on December 15, and test the technology of deployment on them (i.e. integration with Central HQs, deployment to the regions, logistical and legal issues, authority from the Central HQ), etc. If the experience is successful, we can deploy the rest starting with January 12-15

#	Name	Preliminarily assigned region	Monthly compensation Plus \$50/day of per dien
9	Born June 20, 1971. Took part in 26 election campaigns. Author of several books on election technologies. Docent, Ph.D	Crimea. Can deploy after Nov 28, 2005	\$ 5 000
	Speaks French, German		
2	Andrei Ryabchuk	Kharkiv.	\$7 000
	Politologist, political consultant, project management specialist.	Can deploy after Nov 28, 2005	
	Professor, author of books on political science, social psychology. Has taken part and managed over 30 campaigns throughout CIS.		
	Speaks English and French, Member of International Journalists' Union.		
③	Vyacheslav Lyzlov. Born April 11, 1045. Took part in 32 campaigns, including 7 campaigns as Head of election HQ. Author of 4 books on election technologies.	Donetsk. Can deploy after December 1, 2005	\$4 000
4.	Alexander Darievich. Born in 1958 in Dnipropetrovsk oblast. Graduate of Dnepropetrovsk metallurgical institute. Has worked in election campaigns since 1994. Speaks fluent Ukrainian.	Zaporizhya. Can deploy after December 1, 2005	\$3 500
6)	Yuri Matveev	Odessa.	\$5 000
0	Specialist in political training and consulting. Has taken part in more than 20 campaigns throughout Russia and CIS, incl. Ukraine, since 1993.	Can deploy after November 28, 2005	
6.	Anton Orlov Born October 4, 1976 Took part in over 10 campaigns. PhD (political science). Speaks French.	Kherson, can deploy after December 6, 2005	\$4 000
7.	Pavel Golubtsov, born 1977. Took part in over 15 campaigns as campaign consultant and manager of HQ	Nikolaev, can deploy after December 6, 2005	\$4 000
3	Natalia Astakhova, born 1974.	Kiev, assistant to Kudinov. Can deploy after Nov	\$ 3 000
	Took part in 15 election campaigns as press- secretary, head of press-service. Speaks English.	27, 2005	-
9.	Mihail Topalov, born 1952, political analyst, pollster, campaign manager. Took part in over 25 campaigns.	Dnipropetrovsk	\$ 4 500
	Alternative: 1) Egor Golubtsov, born 1970, took part in over 10 campaigns.		
10.	Vasili Agafonov Born 1960, took part in over 15 campaigns. Alternative:	Луганск	\$ 4 500

Program framework

- Introductory meeting in Moscow or Kiev to outline specific missions and clear understanding of role and responsibilities (preferably through a memo from PJM)
- Upon arrival in Kiev each should receive 1 months' salary plus 1 month per diem advance around \$3,000 in cash for rent of apartment, purchase of cell phone, travel etc.

This amounts to:

\$ 44,500 in salaries for 1 months for 10 people

\$ 50 per diem X 30 days X 10 people = \$15,000

\$ 3,000 advance in cash for rent of apartment, purchase of cell phones X 10 people = \$30,000

\$300 for 1 way econ class ticket to Kiev X 10 people = \$3,000

Total: \$92,500 in cash

- Be managed by Oleg Kudinov and provide weekly reports and updates on the situation in the region.
- 4) Bi-weekly meetings in Kyiv for debriefing

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		Регион	Зарплата плюс 50 у. суточные	
1.	Поспелов Дмитрий Владимирович. Род. 20.06.71 Участвовал в 26 избирательных кампаниях. Автор книг по технологии выборов. Доцент, кандидат психологических наук. Французский, немецкий языки	Крым, может выехать 28.11	15 7 4 1	
2		V	-	
2.	Рябчук Андрей Викторович Политолог, политтехнолог, руководитель проектов	Харьков, Может выехать 28.11	7	
	Профессор, автор книг по политологии, социальной психологии, Опыт руководства избирательными кампаниями, более 30 кампаний. Политическое консультирование,			
_ []	Английский и французский языки Член Международного союза журналистов			
3.	Лызлов Вячеслав Евгеньевич род 11 апреля 1945 г. Работа в выборных кампаниях: Участие в 30 избирательных кампаниях, в том числе в 7 кампаниях работал начальником штаба и в 12 кампаниях Четыре книги по выборной тематике	Донецк, Может выехать с 1.12	4	
4.	Дариевич Александр Васильевич р. 1958 году в Днепропетровской области. Украинец. Окончил Днепропетровский металлургический институт. С 1994 года работает в избирательных кампаниях. Хорошее знание украинского языка.	Запорожье с 1.12	3,5	
5.	МАТВЕЕВ Юрий Семёнович	Одесса, с 28.11	5	
	Обучение и консультирование по вопросам подготовки и проведения избирательных кампаний. Опыт участия в избирательных кампаниях: более 20 кампаний с 1993 года			
6.	ОРЛОВ АНТОН ЮРЬЕВИЧ 4 октября 1978 Участие в избирательной кампании — более 10 кампаний Кандидат политических наук, французский язык	Херсон с 6.12	4	
7.	Голубцов Павел Владимирович, 1977 г.р., Участие в избирательных кампаниях — более 15 кампаний	Николаев с 6. 12.	4 т	
	Астахова Наталья Владимировна, 1974 г.р. Участие в 15 избирательных кампаниях, в качестве пресс-секретаря, руководителя пресс-службы.	Киев, помощник Кудинова С 27.11	3	
4	Английский язык			
	Здесь выбор: по приоритету Топалов Михаил Александрович, 1952 г.р.,	Днепропетровск	4,5	
1	более 25 кампаний. Голубцов Егор Александрович, 1970 г.р., более 10 кампаний,			

Key Agitation Technologies of Party of Regions

Manual for Party of Regoins' local activist

Party of Regions

Kyiv - 2005

500 copies, 150 pages.

The manual covers the key means and ways of agitation and advertisement impact on voters during the election campaign.

In essence, the manual is about technological instruments of election campaign which, if used correctly, can help activists and functionaries of PofR to build effective agitation and organization plans and successfully execute them at all stages of election campaign/

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Table of Contents

Availability of text in Russian

	Strategy and Tactics of PofR at the Elections to Verkhovna	Available	Not
4.7	Rada and local governance bodies	44.7	Available
1.1	Key guidelines of strategy and tactics of PofR at the Verkhovna Rada elections	Yes	
1.2	Recommendations on strategy and tactics of PofR in regions of Ukraine	Yes	
1.3	Recommendations on strategy and tactics of PofR in urban and rural areas of Ukraine (by region)	Yes	
1.4	Key guidelines of the PofR Election Program	Yes	
1.5	Characteristics of target voter groups of PofR and methods of work with them. Target groups of PofR	Yes	
1.6	Key political parties of Ukraine in this campaign. Attitude of PofR to these parties.	Yes	
1.7	Key threats for election campaign of PofR	Yes	
2.	Election Campaign as Communication Process	20.7	
2.1.	Key objectives of the regional and district HQs in the electoral process.	Yes	
2.2	System of management, subordinaton and reporting. What gets sent to whom, by whom and when. Internal communication of campaign/	Yes	
2.3	Analytical research in the election campaign	Yes	
3.	Key documents of Election Campaign		
3.1	Voter database	Yes	
3.2	Framework for interview on behalf of PofR (100 answers to 100 questions)	Yes	
3.3	Issues of region, districts and target groups	Yes	
3.4	Electoral Map of the region	Yes	
3.5	Talking points for conversations with voters and mass media	Yes	
3.6	"Legend" on PofR (regional organization) and its leaders, Official bios of the PofR leaders.		No
3.7	Table of positioning of PofR in the oblast	Yes	
3.8	Plan of agitation of the oblast and district organization	Yes	
3.9	Key speech of candidates and surrogates	Yes	
3.10	Program of PofR and the regional organization. Details based on local specifics	Yes	
3.11	Budget of election campaign	Yes	
4.	Basics of agitation and propaganda in election campaign		
4.1.	Key elements of popularity of the party. Key elements of image of PofR	Yes	
4.2.	Content aspects of agitation. Main contents of the agitation campaign of PofR.	Yes	
4.2	Key issues of the voters in Ukraine		Нет
4.3	Possible current messages of agitation campaign in the regions		Her

	and districts		
4.4	Development of messages	Yes	
4.5	Development of special projects during agitation. Structure and reporting on projects.	Yes	
5.	Key Tactical Methods of Agitation		
5.1	Comparative effectiveness of various methods of agitation in Ukraine and limitations on their use	Yes	
5.2	Work with mass media	Yes	
5.3	Leaflet campaign. Place and efficiency. Recommendations on work with leaflets.	Yes	
5.4	Outside agitation (street agitation). Place and efficiency. Recommendations.	Yes	
5.5	Meetings with voters	Yes	
5.6	Instruction on organization and conduct of meetings of regional leaders of PofR and agitators.	Yes	
5.7	Door-to-door Campaign. Instruction to agitators who take part in Door-to-door campaign. Actions of agitators in problem situations.	Yes	
5.8	Organization and conduct of mass events (meetings, demonstrations, processions).	Yes	
5.9	Pickets and tents' operations.	Yes	
5.10	Direct mail and mail "hands to hands"	Yes	
5.11	Telephone agitation. Recommendations on telephone agitation program.	Yes	
5.12	Special Interests Groups and Charity.	Yes	
5.13	Organization of media events (free media)	Yes	
5.14.	Organization of meetings of the Leader of PofR in oblasts of Ukraine		No
5.15	Role and use of internet in election campaigns.	Yes	
6	Preparation of regional and district organizations of PofR for Election Day		
6.1.	PofR representatives in election commissions of various levels.	Yes	
6.2.	How to check lists of voters	Yes	
6.3	Media preparation for ballot security program		No
6.4	Watching the polls and tabulation of votes	Yes	
6.5	Parallel count of votes	Yes	
6.6	How to prepare complaints regarding violations and where to send them	Yes	
6.7	Key possible ways of fraud and ways to counteract fraud	Yes	
6.6	Getting out your vote on election day	Yes	
7.	Attachments		2.0
7.1	Key economic results of "orange revolution"		No
7.2	Instruction on how to organize pickets. Sample of portable stand for pickets.	Yes	
7.3	Instruction on providing security of election campaign		No
7.4	PofR poll watcher manual for members of precinct and higher level election commissions.	Yes	
7.5	Instruction on sending special information to higher level PofR HQs	Yes	-

7.6	Script of phone conversation of agitator with voters.	Yes	
7.7	Recommendations on organization of meetings, demonstrations, processions.	Yes	
7.8	Краткие рекомендации по проведению прямой адресной рассылки	Yes	
7.8	Instruction on support of visits of the Leader in the regions		No
7.10	First 50 names of PofR party list		No
7.11	Short bios of first 10 members of the PofR Party List		No
7.12	Legend on the Leader of PofR		No
7.13	Summary of what will implementation of PofR program bring to the people of Ukraine		No

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Report Of Victor Yanukovich at the VIII Congress of the Party of Revions

Dear Delegates!

Dear Friends and Associates!

Our Congress is taking place in very important time.

Election campaign has started in Ukraine. It won't be an exaggeration of I say that our country has not known elections, upon which so much would depend on.

Their results will have decisive significance for the further history of Ukraine, for the life of its every citizen.

As you know, since the beginning of the new year the political reform will come into force.

It will lay the foundation of steady, democratic system of the parliamentary type in Ukraine.

This means that after the elections a new phase of the political history of our country, as well as the new stage in its economic and social life will begin.

The parties, that form a majority in the parliament and create a coalition government will be able to take an active part in its building.

Those parties will ensure their political long life and will be able to determine the political landscape of our country in the future...

Those parties that do not receive the trust of the people will be doomed to the role of reserve player and with the time leave the political arena

Elections in 2006 will become the moment of truth, which will determine, who is and who is not a responsible politician.

Who is able to live up to the promises, and who is not able to keep the word

Who offers a well thought-through program of leading the country out of the crisis, and who is driving the country even deeper into the crisis.

I am sure that the people will make the right choice and entrust the Party of Regions to take responsibility for their well-being and for the fate of the country.

I am sure that we will be well worth of this high honor and will fulfill out solemn duty before the older generation and our children.

It was us who were chosen by the fate to return the economy to the path of stability and growth, and provide decent life and assurance of tomorrow to our people.

It will not be an easy thing to do, because never ever has our country been kicked back so far thanks to (quote), irresponsible actions of the government, (unquote).

The whole world has become a witness of the troubles that fall upon our suffering people just during one year of leadership of the "orange".

These are crises of different kinds - gas, meat, sugar. It's hard to remember all of them.

But the biggest is the crisis of power, which added a deep paralysis to its unprofessionalism.

The immortal character of Bulgakov, Prof. Preobrazhensky was truly right, when he said that the biggest reason of mess in the country is the "mess in the heads".

I think this would be the diagnosis he would give to the current generation of home-grown revolutionaries.

The lack of well thought-through concept of development of the country lead to dramatic deterioration of the health of the economy.

As you know, all macroeconomic indicators have gone down. Following them, the standard of living of the citizens has gone down as well,

But the key issue is the helplessness and lack of principle of the new government, which destroyed people's trust in its ability to change something for the better.

The society is again seized by the indifference and fear of tomorrow, which we forced to retreat in the previous years.

In my opinion, this is one of the key losses of Ukraine in the last year.

Lack of real steps in economy the "orange" have largely compensated by the moral terror against those who think differently.

In this direction they have undertaken such violent activity, that medieval inquisition lead by Torquemada looks like innocent kids at their background.

It is not a joke – over 18 000 professionals, whose only fault was dislike of the orange color, were fired from the executive power bodies during several months.

They, according to the new government, were machinating, creating conspiracies and prevented it from the work for the benefit of the Ukrainian nation by all means.

However, our people bare smart and very well understand, what prevents a "bad dancer" from dancing well.

Despite the suffering of the people, the orange leaders continue to fight for the power in a most cynical and shameless way. The hunger for power has absolutely filled their minds.

At the time, when the growing inflation takes the last kopecks from the pockets of the pensioners, doctors and teachers, the government increases their salary by several times.

They were able to dignify themselves, quote, in the foreign policy front, unquote.

Instead of a well-balanced foreign policy, primarily strengthening connections with Russia, the "orange team" thoughtlessly and hastily drives the country towards the European Union.

This is the place where Ukraine is not expected, at least for the next 10 years.

In such conditions the Party of Regions did not have any other choice than to become an opposition.

We could not sit and observe collapse of the economy and massive violations of the constitutional rights of the citizens,

However, we did not add the revolutionary methods of the orange to our arsenal.

We used all of our forces to preserve the public peace and accord.

This was our goal during signing of the Memorandum on Mutual Understanding between the power and the opposition.

Today the representatives of the "orange" government still can not give a legible answer to the question: "Why Do They Need Power", which they have not learned how to use during the year for the benefit of the people?

Sometimes it seems like their only message for the elections is to defeat Yanukovich. They have been failing to agree on other issues so far.

The Party of Regions has essentially different approach. We do not want revenge. For us power is just an instrument. With its help we will implement our program and fulfill our promises to the people.

We must unite the country and lead it out of the social, economic and political crisis.

We must return Ukraine to the path of the stable economic and social development, which we had one year ago, when we were in power.

For this we have all the necessary components: belief in our force, political will and a clear program of action.

The key elements of our election program are:

Prosperity to the people!

Power to the regions!

These are the ideas we go to the people with.

We are strongly sure that their implementation will lead Ukraine to the path of progress and welfare.

In this we did not invent anything new.

The Party of Regions during 8 years has been preaching these principles, which were supported by millions of Ukrainians.

We stand for support of national producers.

If, in order to protect our people we need to wait a little with entry to the WTO, we are prepared to wait.

At the same time, if there are new opportunities for the domestic producer in the Common Economic Space, we will do everything for its creation.

One of the key elements of the program of the Party is the priority of the family values.

I would even say that it's the cult of family values at the state level.

In this respect housing issue has particular significance for us.

We will make sure that mortgage loans are accessible not only for the selected ones, but for the most broad strata of the population.

Our Congress is taking place during the World Day of Invalids.

Our Solemn duty is to create conditions for meaningful life for them, and to surround people of senior age with attention.

The election program of the party of Regions has provisions on care about veterans of war and labor and invalids.

Proud people. Distinguished people, who created the wealth of Ukraine. People who are least socially protected now.

We consistently stand for decentralization of power and for expansion of the rights of the regions. It is not by accident that we are called "Party of Regions".

It is high time to introduce real accountability from bottom to top – of the government to the people.

For this we propose election of the governors and other leaders at the district level.

This is a direct way for people to hold whoever they elect accountable. They can even recall their elected official if he, mildly speaking, "becomes facidous".

Moreover, we have included an important obligation in our election program, that no other party has had the guts to make.

If during three years we fail to fulfill our key program concepts, our deputies and members of the government will voluntarily resign.

This means real responsibility of politicians for their promises.

Further. Our political opponents, when they came to power, started to accuse us in separatism, substituting our desire to make Ukraine a federalist state by this word.

The federal development can become the factor of unity, and not separation of Ukraine.

It should become a well thought, scientifically substantiated state policy.

Consistent Federalism always contributes to development of democracy and freedom. Ukraine is not an exclusion in this case!

The strength of the regions is that they are very different. We must free and use the energy of the regions. Our slogan is' Regions of Ukraine – Unity of the Equal!

However, it is important to preserve the originality of the East and West, South and North.

Preserve and multiply the historic, cultural, religious values and traditions of the people who live in their regions.

It is where the ethnic, family roots are very deep. This is where they take the spirit and the force for life and labor, for bringing up their children.

Dear Friends!

The basis of democracy of developed European countries is the civilized cooperation between the power and the opposition.

The opposition there is a catalyst of positive changes.

The opposition is the eyes and ears of the people, preventing the government from stealing and abusing the law.

Opposition is the consciousness of democracy.

When we come to power, the issue of providing the opposition with the relevant status will be resolved, no matter who the opposition is. We guarantee that!

We will not prosecute the opposition, political opponents, and threaten them with prisons.

The opposition, as our election program stipulates, will forever become a mandatory attribute of existence of power, a requisite of healthy, fruitful politics.

Interaction and mutual influence of the power and the opposition will become a guarantee of observing the human rights and freedoms.

Finally, our program paid major attention to the foreign policy of the state.

We will re-build everything that was destroyed by thoughtless actions of the orange "chiefs".

We see what has come out of their efforts. Shame and disgrace.

We try to get into the European structures in a beggarly way. Europeans like only economically strong and politically independent countries.

Is Ukraine like that now? On the contrary, it has been weakened.

First of all, due to the violation of eternail ties with the northern neighbor - Russia.

The multi-vector approach will be the basis of our foreign policy activity.

By no means we will follow the path of adventures and voluntarism.

Let the people through referendum determine, whether Ukraine should join NATO.

So far a reliable guarantee of peace has been the out-of-locks status of our state.

We strongly believe that Ukraine should preserve this status and not be part of any blocks in the future.

We must limit the ambitions of the current government

The serious issues should be dealt with seriously, in a thoughtful and balanced way.

I assure you that we will by all means normalize the relations with Russia - our strategic partner.

Both Ukraine and Russia are interested in this. Equal partnership is needed by our both countries, by our people.

Party of Regions has such desire. Responsible Russian politicians also share this approach.

What else do we need in this case?

Act. With no delay till tomorrow.

First of all, we will complete formation and creation of the Common Economic Space.

On the even of the coming election campaign in Ukraine, the new electoral shake-ups, there is always enough speculatoin about the ethnic issues and national languages.

I will say right away - these are dubious and extremely dangerous speculations.

It is easy to violate peace. It is easy to start inter-ethnic conflicts and confrontation.

It's very difficult to reconcile them. Painful experience of other countries teaches us about that. You know about this better than I do.

We do not need such shake-ups. Enough playing using the ethnic feelings.

Party of Regions proposes support and free development of all ethnic groups and nationalities, who live in Ukraine. There is more than 100 of such.

We stand for development of all national languages. We stand for flourishing of national cultures and traditions, and spiritual values.

We stand for providing the status of the second state language to the Russian language.

It is absurd, when the language of Pushkin, Gogol, Chekhov, Bulgakov is studied at school as a foreign language.

We are against closing down Russian classes, and removal of Russian books from the nursery schools.

All nations – big and small – should be equal in their rights and responsibilities. There should be no prosecution, no subjugation.

We are a united friendly family of the peoples of Ukraine!

We must orient all members of the party, all participants of our electoral process to the best result. To the victory in the future elections.

According to the research of analysts and pollsters, the approval rating of our party is growing. We are the only party in Ukraine whose approval rating is growing.

You know very well that in all ratings the Party of Regions takes the top positions.

However, by no means it should pacify us.

We have serious and difficult work ahead of us. We have 4 months of tiring and tough battle in the election campaign. Our opponents are not sleeping.

We simply must become even more united. From the grassroots level up to the central nucleus of the party.

From the district headquarters, working in election campaign, up to the Central HQ in Kyiv.

The success of the Party of Regions undoubtedly will determine the efficiency and vigor of the grassroots party organizations.

In this hall we have people who have gone through many electoral battles.

Many of you I know personally. I know your business qualities, value your wisdom and your experience..

I believe in you and ask - please work these four months will full self-sacrifice.

Please work persistently and motivationally.

I am talking to the battle nucleus, the intellect of the party – people's deputies, members of the "Regions of Ukraine" faction.

The overwhelming majority of you work actively in the parliament. I am intentionally not giving names in order not to miss anyone.

I sincerely thank you for the fruitful work.

You defend the interests of our party.

Your sincere conversations with people will help bring on our side those, who have not made up their minds whom to vote for.

Dear Deputies, I believe in your leadership role in the electoral process.

I believe in great significance of each of those present here. Each active party member in the regions of Ukraine.

Each meeting with the people, each individual conversation should be open and sincere.

This, not talking and theories, is the key to our success. People should feel it in their hands, in reality.

People expect clear answers and real deeds.

How to raise pensions and stipends?

How to fix heating, water supply, sewage system in a specific house?

There are so many such things. Let's not forget about them. .

There are no trifles in life, especially during the election campaign.

All candidates in election lists of various levels are respected and known people, the advance group of the party.

Chosing them, we remained true to our key principle - to present the interests of all regions.

That is why the names of our candidates are known in every corner of our Motherland. Interests of people are close to them.

As you know, lately the Party of Regions's ranks were joined by new members, who were until recently affiliated with "Soyuz" and "New Democracy" parties.

These influential political forces are close by spirit to us.

They are close in terms of views on the ways of political and social-economic development of the Ukrainian society.

We are justifiably called the centrist opposition.

By uniting, we started the process of creation of political center for the sake of unification of the whole Ukrainian nation.

Dear Colleagues! Dear Associates!

This is the way I see the upcoming elections and participation of our party in these elections.

By your speeches, I believe, you will add up to this vision. You will share your ways and methods of conducting election campaign.

It will be as intensive and responsible as it has never been.

You have noted that not a single time I used the word "electorate"

I did this intentionally. I ask you to forget this word.

We do not go to the electorate. We go to the people.

To each specific person.

We go to our compatriots.

We must do everything possible to help people make an educated choice next March.

A choice of whom they should tie their fates, their thoughts with.

With whom to look into the future

With whom to build a dignified, united Ukraine.

I wish all of us success at this thorny but important path. God Help Us save Ukraine.

Thank you for your attention.

To: Vasily Dzharty, Edouard Prutnik

CC Pavel Burlakov

BCC SH, YK, Anton Prigordski, BVK

Fr: Paul Manafort, Phil Griffin

Tim Unes Bobby Peede

Re: Victor Yanukovych /

Party Congress Treatment

Date: 11/13/05

<u>Location:</u> The Sports Palace

City Center 10,000 seats

Date: December 3rd, 05

1:00 pm - 4:00 pm (approximately)

Theme: Making Your Life Better – TODAY

Deliverables: Equipment list – 11/14/05

Preliminary outdoor graphics design – 11/18/05
Preliminary outdoor design (staging, backdrop for small

concert, resolution tent, collateral tent) – 11/18/05 Preliminary indoor design (plenary session) – 11/18/05

> Stage design Corridor design

Preliminary collateral material design - 11/18/05

Final equipment list - 11/14/05

Final outdoor graphics design - 11/22/05

Final outdoor design (staging, backdrop for small concert,

resolution tent, collateral tent) – 11/22/05 Final indoor design (plenary session) – 11/22/05 Final collateral material design – 11/22/05 Preliminary "Run of Show" (script) – 11/22/05

Price List - TBD

Collateral Material:

2000 Ukrainian Flag (2'x3')
10,000 Handheld Signs
(36) Confetti cannons
(36) Confetti streamer cannons
(20) Mylar cannons
Balloon drop
Indoor pyrotechnics
Hats
Scarves
T-shirts

Narrative:

As attendees arrive to the Sports Palace they will be greeted by an outdoor concert in the plaza of the sports palace. The footprint around the palace will be draped in the blue and white/yellow colors of the Yanukovych campaign as well as large format campaign banners. The banners will be flown from adjacent buildings surrounding the venue and from rigging points on the palace itself. The plaza will also contain a "resolution tent" and several collateral tents. The band will be a local Ukrainian "pop" band. Campaign workers will mill throughout the crowd passing out campaign hats, t-shirts and scarves.

As attendees enter the Sports palace the hallways leading into the venue will be covered in blue and yellow. We will "up light" walls, drape columns and hang banners in all the open areas. These public areas will also contain food vending areas and campaign music. As attendees take their seats in the arena those seated on the floor will be given 2'x3' Ukrainian flags and those seated in the stands will get either a 2'x'3' placard or a 1'x 2' Ukrainian flag. Another local band will warm up this crowd. The crowd will see an "Active Video" wall backdrop. The advantage of using an "Active Video" backdrop is that we can change the look and feel of the backdrop several times during the course of the program by simply projecting a new slide or new video. We can literally have anything we want as a projected backdrop whenever we want it. This means that in addition to the hard wall portion of the backdrop there will be a 25' x 19' active video wall (flanked by two 9' x 12' IMAQ screens and two tri-wall digital video screens flown from the ceiling). We have decided to use rear projection as our central backdrop screen since the resolution is so much better than digital walls. Large format digital video walls will only give us a 6mm resolution, which is sharp enough

for the IMAG screens, but not sharp enough for the "tight shot". A rear screen projection using a digital projector will give us significantly better resolution so we can still get a message in the tight shot.

As the program starts the band will leave the stage, the lights will go down and we will roll a 10 (?) minute video highlighting the Ticket. Following this video one or more of the lower ticket candidates will speak. Following the lower ticket candidates the nominating speech will be given by (TBD) ending with an introduction a 15 minute "Rally the Troops" video highlighting Victor Yanukovych, the party and the upcoming campaign. Immediately following the video the candidate will enter the arena from the rear of the floor, to the sound of the campaign theme song (TBD). The candidate will be followed by a spot light. The candidate will walk along a raised 2' high walkway right through the middle of the crowd towards the stage, shaking hands - but always visible to the rest of the crowd and the cameras as he progresses. The only portion of the arena lit at this time is the raised walkway, a path several feet wide of the walkway and the images from the backdrop and IMAQ screens that will be projecting his entrance and several follow spots that will be moving through the crowd highlighting the 2000 Ukrainian flags in the audience. Each of the 20 Mylar cannons, rigged in the ceiling above the walkway, will be fired ahead of the candidates - raining colored Mylar confetti (which will interact with the lighting above the walkway) on the candidate as he shakes hands with supporters en route to the stage.

Once the candidate reaches the stage he will shake hands with fellow (lower ticket) candidates who will immediately leave the stage. Mr Yanukovych will continue to acknowledge the crowd and then begin his speech. As he begins his speech the backdrop will reflect a large format campaign logo backdrop with a standard wall paper pattern in the "tight shot". Once the speech progresses Mr. Yanukovych will leave the podium and begin to move around the stage.

At the end of the speech we will cue the campaign music, fire the streamer cannons and have the other important ticket candidates join him on stage. Once the they have acknowledged the crowd (while the music is still playing) the lower ticket candidates will join them on stage cued to

the firing of the confetti cannons and finally the balloon drop. Following the balloon drop all of the stage participants will file out of the arena on the raised walkway,



Fr: Tim Unes

Bobby Peede

Re: Victor Yanukovych /

Party Congress Treatment

Dt: 11/13/05

Location: The Sports Palace

City Center 10,000 seats

10,000 seat

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Price List - TBD

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(20) Mylar cannons Balloon drop Indoor pyrotechnics Hats Scarves T-shirts

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As attendees enter the Sports palace the hallways leading into the venue will be covered in blue and yellow. We will "up light" walls, drape columns and hang banners in all the open areas. These public areas will also contain food vending areas and campaign music. As attendees take their seats in the arena those seated on the floor will be given 2'x3' Ukrainian flags and those seated in the stands will get either a 2'x'3' placard or a 1'x 2' Ukrainian flag. Another local band will warm up this crowd. The crowd will see an "Active Video" wall backdrop. The advantage of using an "Active Video" backdrop is that we can change the look and feel of the backdrop several times during the course of the program by simply projecting a new slide or new video. We can literally have anything we want as a projected backdrop whenever we want it. This means that in addition to the hard wall portion of the backdrop there will be a 25' x 19' active video wall (flanked by two 9' x 12' IMAQ screens and two tri-wall digital video screens flown from the ceiling). We have decided to use rear projection as our central backdrop screen since the resolution is so much better than digital walls. Large format digital video walls will only give us a 6mm resolution, which is sharp enough for the IMAG screens, but not sharp enough for the "tight shot". A rear screen projection using a digital projector will give us significantly better resolution so we can still get a message in the tight shot.

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11/22/2005

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At the end of the speech we will cue the campaign music, fire the streamer cannons and have Mrs. Yanukovych join him on stage. Once the two of them have acknowledged the crowd (while the music is still playing) the lower ticket candidates and spouses will join them on stage cued to the firing of the confetti cannons and finally the balloon drop. Following the balloon drop all of the stage participants will file out of the arena on the raised walkway.

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Fr: Tim Unes

Bobby Peede

Re: Victor Yanukovych /

Party Congress Treatment

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City Center

10,000 seats

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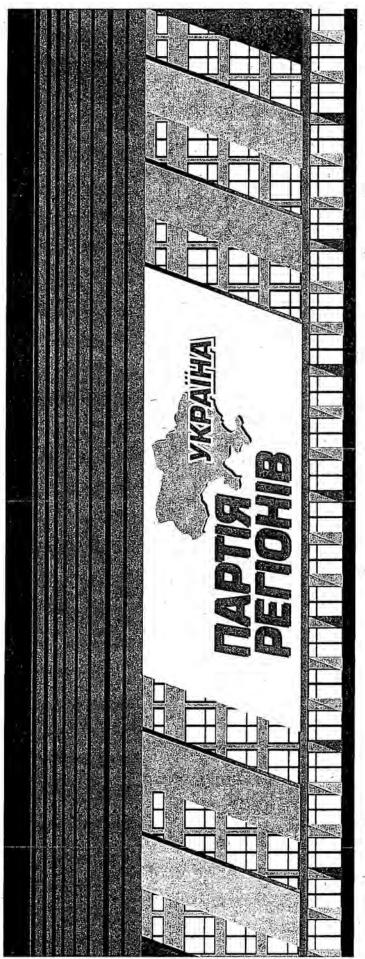
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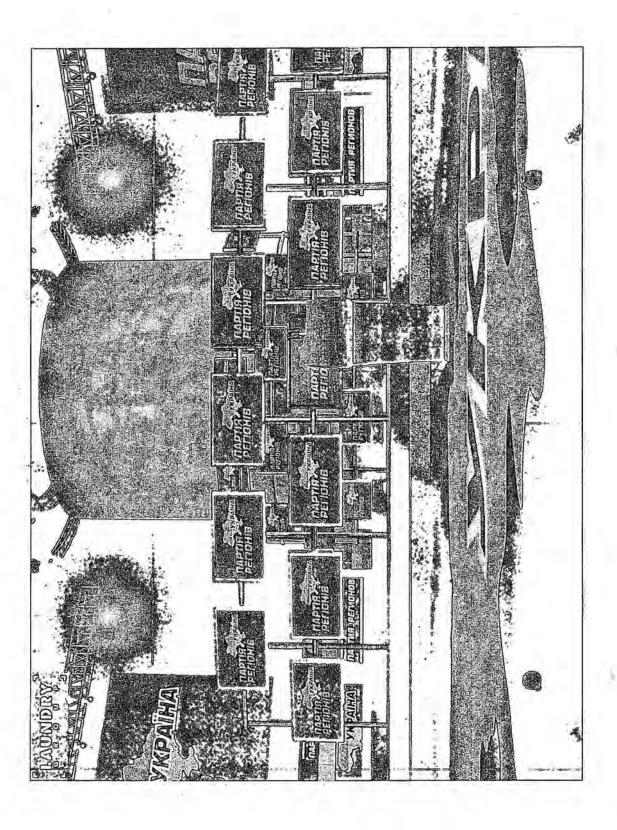
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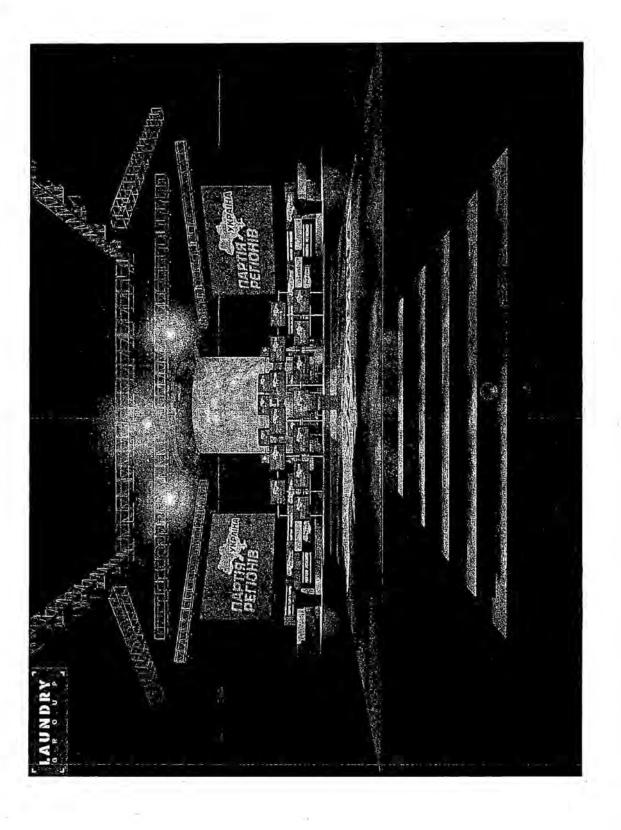
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Fr: Tim Unes

Bobby Peede

Re: PoR Advance Seminar

Dt: 11/15/05

Location: PoR Headquaters

Kiev, Ukraine

Date: December 5th, 6th

1:00 pm - 4:00 pm

Deliverables: Advance Seminar PowerPoint Presentation – 11/21/05

Advance Manual - 11/29/05

Collateral Material: Printed Advance Manuals w/thumb drive

Narrative: ESI will provide Davis Manafort a Powerpoint presentation for the

PoR Advance Seminar for review and approval on November 21, 2005. Once Davis Manafort approves the presentation ESI will translate and email a copy to TBD (PoR Director of Advance) for approval. On November 29th, 2005 ESI will provide Davis Manafort with a copy of the Advance Manual for approval. Following this approval ESI will translate and print the manual and produce the thumb drives. On December 29th ESI will conduct Advance Seminar "run through" in ESI offices in Alexandria, VA for ESI and Davis

Manafort employees.

On December 5th, 2005 ESI will conduct Advance Seminar at POR

Headquarters...

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	Event Strategies Inc Proposal For	
	Yanukovych Scheduling and Advance Seminars	
mask:	Description	Total Cost
Advance Manual L		
	Create, translate/produce (hard copy and electronic copy) comprehensive advance manual	\$15,000
	sts	TBD
	Printing costs	\$2,000
Advance Seminars		
	2 person ESI team conducts 3 seperate one day advance seminars (7 days @\$3,000 per day)	\$21,000
	Materials	\$3,000
In Office Planning/Logistics		
	50 hours of production time (@\$125 per hour) to write and edit manual	\$6,250
Travel Costs E.		
	TBD	TBD
Total Costs:		\$47,250



Fr: Tim Unes

Bobby Peede

Re: Victor Yanukovych /PoR

Bus Trip

Dt: 11/13/05

Location: The Ukraine

Date: January 7th – March

1:00 pm - 4:00 pm

Theme: TBD

Deliverables: Equipment List – 12/9/05

Bus Photos – 11/21/05 Bus Contract – 11/25/05

Bus Shrink Wrap Design - 12/05/05

Collateral Material: Placards

Banners

Narrative: ESI is currently in the process of securing one bus for PoR officals and

candidates and one bus for the press and additional staff. Once we secure and contract for the two buses we will provide Davis Manafort with preliminary design of the artwork for Shrink Wrap. ESI is also in the process of producing an equipment list of for the three trucks operated by three ESI advance teams. A week before the tour begins (January 7th?) the first ESI staff members will begin arriving in Kiev to conduct Site Surveys of the first week of events and to assemble the trucks. By January 15th all ESI staff will be in place and stationed for

the first events.

ESI will station two representatives in Kiev. One Representative will conduct site surveys (Monday – Thursday) for the next week events. The second representative will remain in the PoR Headquarters and act as Scheduler and main ESI contact in Kiev. The ESI personnel will be

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split up into three teams. Each team will have one truck, an SUV and two interpreters. Each team will be self sufficient in terms of production abilities (i.e. staging, audio, lighting, banners and collateral materials). One ESI representative (Bobby Peede) will be stationed full time on the bus operating as Tour Director.

Every Friday ESI team Leads will meet in Kiev to discuss the upcoming week's events. Site Surveys and updated schedules will have been conducted and distributed to the teams. New message banners for the upcoming week will be distributed. Additions, foreseeable problems, changes and improvements will be discussed. From there the three teams will move into position for the upcoming week's events. On Monday morning, Bobby will board the bus and begin that week's tour.

Upon arrival at each site the bus should be able to pull up directly to the back of the stage (acting as a backdrop) for outdoor events. For indoor events we should look for a way to pull the bus into the venue if at all possible. If not, the bus will pull up to a secondary entrance, selected by the ESI advance staff. Every aspect of the program and production should be ready upon the Leader's arrival. The candidate will be escorted to the Holding room and then directly to the stage for the off- stage announcement. Following each program the candidate will work the rope line and depart en route for the next event, where an ESI team will be waiting. Each day one OTR (off the record) event should be held.

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	ESI Proposal For 10 Week				
Transport and the second	ukovych Adv	S			
Jask Strategy and Des	cription	医乳腺素	的是是實際	を表する。	Total Cost
Bus, Kentalo (1998)	Ber Event Peaweek & RenMonth & Duration C.	Per Event	PeriWeek	Per-Month	Duration ever
Bus Rental Cost	Bus, maintenance, fuel and driver	\$916	\$20,000	\$42.500	\$110,000
Bus Shrink Wrap Costs	one time only cost for design, application and removal	\$208	\$25,000	\$25,000	\$25,000
Bus Catering Costs	Food and beverage for bus	\$100	\$1,250	\$5,000	\$12,000
Bus Satelite Broadband System	One time only cost - broadband for bus	\$166	\$20,000	\$20,000	\$20,000
Bus Tour Advance Teams					
Tour Director	Based in Ukraine through the duration of the campaign	\$833	\$10,000	\$40,000	\$100,000
3 Advance Teams (3 per team)	(3) 3 person teams - Lead (\$6,500), Site (\$5,000), Press (\$5,000)	\$4,125	\$49,500	\$198,000	\$495,000
ESI War Room	ESI staffed War Room for Planning and Logistics (Alexandria)	\$208	\$2,500	\$10,000	\$25,000
Bussiour Production Costs					
Audio	3 separate audio systems /250 - 3,000 person events (120 events)	\$1,416	\$17,000	\$68,000	\$170,000
Lighting	3 separate lighting systems /television quality lighting (120 events)	\$350	\$4,200	\$16,800	\$42,000
Staging	3 separate main stages, 3 separate press risers (120 events)	\$300	\$3,600	\$14,400	\$36,000
Décor	300' of blue velour drape, 500' of crowd barriers, large format printing	\$583	\$7,000	\$28,000	\$70,000
AV, lighting technicians	3 A/V, lighting techs per team x 3 teams x 10 weeks	\$2,800	\$33,600	\$134,000	\$336,000
Local Labor	3 laborers per site @\$100 (120 events)	\$200	\$2,400	009'6\$	\$24,000
Box Trucks	3 box frucks for 10 weeks	\$375	\$4,500	69	\$45,000
Radios	Advance team communications	\$62	\$750	3,000	\$7,500
Power Generator	3 generators	\$375	\$4,500	\$18,000	\$45,000
Collateral Material	TBD				
Triavel以。1860年上上,1981年的2017				TALL SECTION	
T8D					
Total Costs:		\$13,017	\$205,800	\$650.300	\$1,562,500



Fr: Tim Unes

Bobby Peede

Re: Questions for PoR

Dt: 11/13/05

The following are questions that (in a perfect world) we would like to get answers for in the next 48 hours.

Party Congress:

- Green light on venue Sports Palace (city center, good venue)
- Green light on budget \$750,000 + 10% contingency
 - o Lighting
 - o Audio
 - o Projection
 - o Décor
 - o Staging
 - o Labor
 - o ESI Fees
- Division of responsibility between Event Strategies, Inc. (ESI) and Edward's event planners

 my sense is that Edward's people would be happy to provide equipment and to keep an
 eye on us. We should try to avoid any arrangement that requires us to get your okay and
 their okay on production. There isn't enough time to get sign off on everything from them
- A sense of how much lea way we should give them on markups
- Preliminary program information so we can start writing the Line by Line (tech/staging script)

Advance Seminar:

- A scheduled date preferably just after the Party Congress December 5th or 6th
- A commitment of between 10 and 20 campaign staff/volunteers they would like to take part in the seminar and learn advance

Confidential Page 1 11/14/2005

- Same questions on green light, budget and oversight as the Party Congress:
 - O Division of responsibility between ESI an Edward's event planners my sense is that Edward's people would be happy to provide equipment and to keep an eye on us. We should try to avoid any arrangement that requires us to get your okay and their okay on production. There isn't enough time to get sign off on everything from them
 - o A sense of how much lea way should we give them on markups
- ESI scheduler in campaign headquarters in Kiev
- Interpreters on each of the 3 or 4 ESI trucks
- Are we producing a two event day directly following the Campaign Roll Out Week (larger events on that week) growing to a three event day

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To: Vasily Dzharty, Edouard Prutnik

CC Pavel Burlakov

BCC SH, YK, Anton Prigordski, BVK

Fr:

Paul Manafort, Phil Griffin

Tim Unes Bobby Peede

Re: PoR Advance Seminar

Dt: 11/15/05

Location: PoR Headquaters

Kiev, Ukraine

Date: December 5th, 6th

1:00 pm - 4:00 pm

Deliverables: Advance Seminar PowerPoint Presentation – 11/21/05

Advance Manual - 11/29/05

Collateral Material: Printed Advance Manuals w/thumb drive

Narrative: ESI will provide Davis Manafort a Powerpoint presentation

for the PoR Advance Seminar for review and approval on November 21, 2005. Once Davis Manafort approves the presentation ESI will translate and email a copy to Pavel Burlakov for approval. On November 29th, 2005 ESI will provide Davis Manafort with a copy of the Advance Manual for approval. Following this approval ESI will translate and print the manual and produce the thumb drives. On November 29th ESI will conduct Advance Seminar "run through" in ESI offices in Alexandria, VA for ESI and

Davis Manafort employees.

On December 5th, 2005 ESI will conduct Advance Seminar

at POR Headquarters.

Location: PoR Headquaters

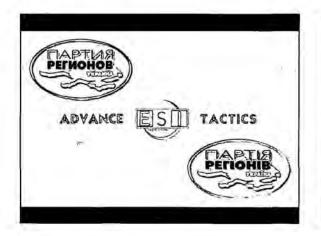
Kiev, Ukraine

Date: December 5th, 6th 1:00 pm - 4:00 pm

<u>Deliverables:</u> Advance Seminar PowerPoint Presentation – 11/21/05

Advance Manual - 11/29/05

Collateral Material: Printed Advance Manuals w/thumb drive





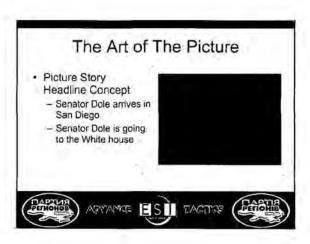


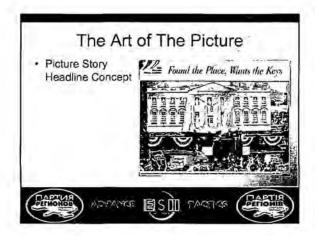


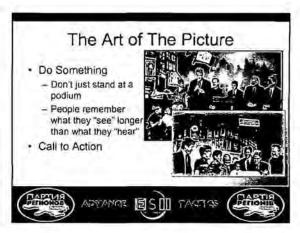
Introduction Today's Presentation The Art of the Picture Scheduling Press Advance Motorcades Hotel and Baggage Operations Basic Production Checklists

The Art of The Picture • "Picture Story Headline" Concept – The Message • Do Something • Camera Angles

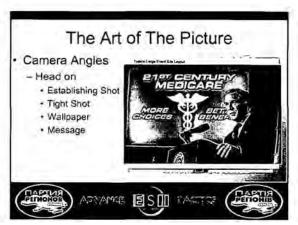


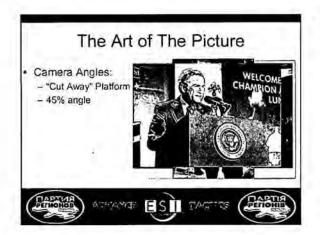


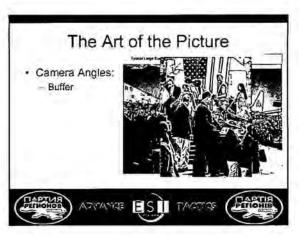


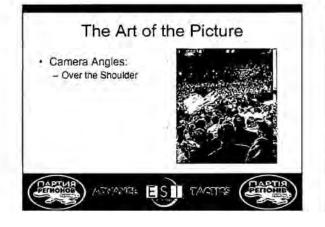


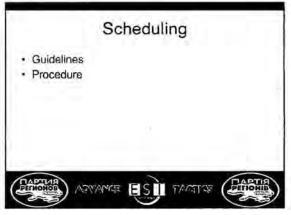


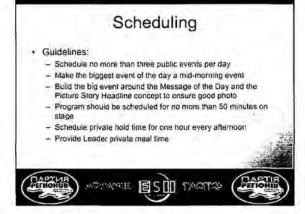










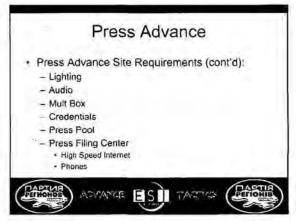


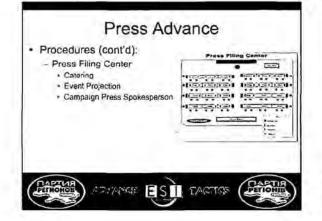


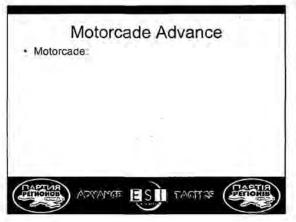












Hotel Advance

- · Selecting the Hotel
- · Hotel Requirements
- · Room Prep
- · Hotel Arrival
- Baggage Call
- · Check Out



Hotel Advance

- · Selecting the Hotel:
 - Availability/Space
 - Willingness to accommodate campaign needs
 - · Special rooms
 - · Same floor
 - · Press filing center
 - · Group check out
 - Proximity to event site
 - Ease of movement



Hotel Advance

- · Selecting the Hotel (cont'd):
 - Political Affiliation of Owner
 - High speed internet capability
 - No other campaigns on site during stay
 - Reputation
 - Creature Comforts
 - · Late night room service
 - · Late night (overnight) Dry Cleaning
 - Catering
 - · Event Projection
 - Campaign Press Spokesperson



Hotel Advance

- Hotel Requirements:
 - Two room suite for Leader
 - Incoming calls blocked re-route to Traveling Aide's room
 - Traveling Aide next door
 - Leader's room isolated from elevator wells and ice machines
 - Senior staff on same floor as Leader
 - Staff office on same floor
 - Remove beds
 - Add extra phone lines
 - Acd Fax line
 - Photo copiers









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Hotel Advance Hotel Requirements (Cont'd): Press room on a different floor Large room Catering Media baggage call

Hotel Advance

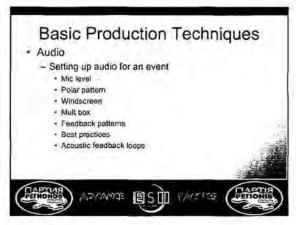
- · Room Prep:
 - Two hours before motorcade arrival advance team checks in all rooms and gets all keys (passed out upon arrival of motorcade)
 - Leader's room checked
 - · Water
 - Heat
 - Television
 - · Wireless Internet
 - Room list in each room
 - Next days schedule in each room













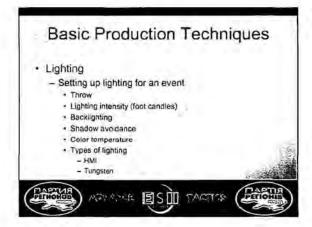


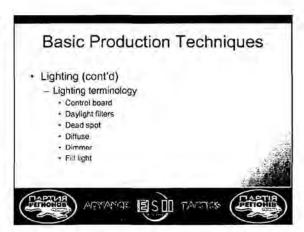


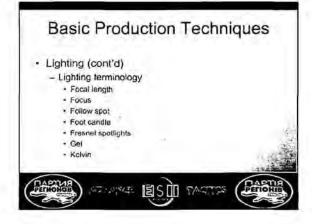




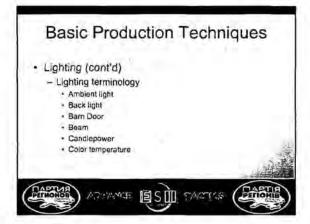














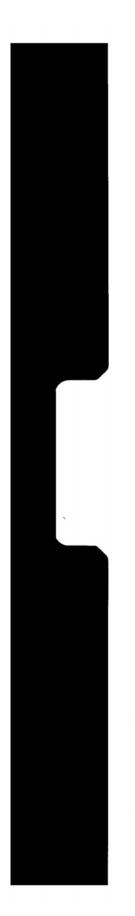


I suggest to make use of the emotional moments which would generally evoke positive feelings and emphasize the inheritance of both our party's and the leader's politics. We need to create an emotional 'thread' - linking last year's autumn with this year's autumn. We need to demonstrate we are keeping to the chosen track consistently, calmly and selfassuredly, ever relying on the support of the people which have always been and will stay with us. The good means to help achieve this goal could be a rally organized on the square in front of Kyiv Central Railway Station. It is upon this very square that 30 thousand coalminers were standing at this time a year ago. They were ready to answer the first call of the leader and challenge Kyiv. But the leader didn't appeal to any aggressive moves then, and therefore no bloodshed occurred. It is this fact that has laid a foundation for the prospects of future peaceful victory at the parliamentary elections this spring. That is why it would be largely opportune to start the crucial congress of the Party with a symbolic rally at the square in front of Kviv Central Railway Station. There the leader would say that our political force has demonstrated wisdom last year and prevented bloodshed. And today, from this place, we appeal to the people to proceed peacefully towards victory. It would be worth to invite several miners-participants of the last year's rally to address the public, and to have those politicians, which were then with the miners, on the stage. And those singers which sang for the miners then would sing now. This event could be prepared in a very moving fashion. This would stir up the emotions. The rally needs to be broadcast the same way it was broadcast then – live on TRC "Ukraine"

Case 1:18-cr-00083-TSE Document 153-2 Filed 07/26/18 Page 80 of 134 PageID# 2562 (if possible on other channels as well). The culmination of the event would have to be the appeal to walk the streets of Kyiv peacefully, heading to the Cabinet of Ministers' building, to the place where last year the miners' blue-and-white tents stood. There the people would lay down the flowers, sing and peacefully disperse. The songs and slogans need to be peaceful.

Right after this the show may continue in the Sports Palace.





The Shareholder's Advance Operation Treatment

The Ukraine

January 7th - March 31st, 2005

The Company handling Advance and Scheduling for the campaign will dedicate a four person team to Kiev in the beginning of January to plan and conduct all Shareholder "advance" operations. The team will consist of a Scheduler, a "Tour Director" who will travel with the Shareholder and two "site" advancemen.

Our Scheduler will be stationed at the Davis Manafort Headquarters in Kiev. This person's job will be to conduct the day to day scheduling operation for the Shareholder. This person will meet with Paul Manafort on a daily basis and act as the main contact for the Shareholders scheduling operation. This person will be responsible for production of all schedules and event treatments for the Shareholder.

The Tour Director will travel with the Shareholder and manage the day to day operations of the tour. The Tour Director will check in with Paul Manafort daily from the road and conduct countdown meetings when he is in Kiev. The Tour Director will manage the two advancemen in the field.

The advancemen will conduct all site surveys for the Shareholder's schedule and execute all advance operations. Since the teams are not traveling with a truck, the advancemen will be responsible for identifying and securing all production equipment locally. They will meet once a week in Kiev (possibly Friday) to review the upcoming week's schedule and evaluate the past weeks performance with the Tour Director and Scheduler.

Confidential Page 1 11/22/2005

To: Vasily Dzharty, Edouard Prutnik

CC Pavel Burlakov

BCC SH, YK, Anton Prigordski, BVK

Fr: Paul Manafort, Phil Griffin

Tim Unes Bobby Peede

Re: Victor Yanukovych /PoR

Bus Trip

Dt: 11/18/05

Location: The Ukraine

Date: January 15th – March 25

Theme: Making Your Life Better – TODAY

Deliverables: Equipment List – 12/9/05

Bus Photos – 11/21/05 Bus Contract – 11/25/05

Bus Shrink Wrap Design - 12/05/05

Collateral Material: Placards

Banners

Narrative: ESI is currently in the process of securing one bus for The Leader and

candidates and one bus for the press and additional staff. Once we secure and contract for the two buses we will provide Davis Manafort with preliminary design of the artwork for Shrink Wrap. ESI is also in the process of producing an equipment list of for the three trucks operated by three ESI advance teams. A week before the tour begins (January 7th) the first ESI staff members will begin arriving in Kiev to conduct Site Surveys of the first week of events and to assemble the trucks. By January 15th all ESI staff will be in place and stationed for

the first events.

ESI will station two representatives in Kiev. One Representative will conduct site surveys (Monday – Thursday) for the next week events. The second representative will remain in the PoR Headquarters and act

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as Scheduler and main ESI contact in Kiev. The ESI personnel will be split up into three teams. Each team will have one truck, an SUV and two interpreters. Each team will be self sufficient in terms of production abilities (i.e. staging, audio, lighting, banners and collateral materials). One ESI representative (Bobby Peede) will be stationed full time on the bus operating as Tour Director.

Every Friday ESI team Leads will meet in Kiev to discuss the upcoming week's events. Site Surveys and updated schedules will have been conducted and distributed to the teams. New message banners for the upcoming week will be distributed. Additions, foreseeable problems, changes and improvements will be discussed. From there the three teams will move into position for the upcoming week's events. On Monday morning, Bobby will board the bus and begin that week's tour.

Upon arrival at each site the bus should be able to pull up directly to the back of the stage (acting as a backdrop) for outdoor events. For indoor events we should look for a way to pull the bus into the venue if at all possible. If not, the bus will pull up to a secondary entrance, selected by the ESI advance staff. Every aspect of the program and production should be ready upon the Leader's arrival. The candidate will be escorted to the Holding room and then directly to the stage for the off- stage announcement. Following each program the candidate will work the rope line and depart en route for the next event, where an ESI team will be waiting. Each day one OTR (off the record) event should be held.

To: Paul Manafort, Tim Unes, Bobby Peede

From: Lee Avrashov

CC: Konstantin Kilimnik, Philip Griffin, Christian Ferry

Date: December 9, 2005

Subject: Advance Group Details

Actual HQ advance group consists of two people:

1. Director - Stanislav V. Skubashevsky

2. Deputy Director - Alexander N. Orda

The advance process works in the following way:

- Analysis/Research/Strategic Department sends a recommendation to the Advance Group on the region/city to be visited (however, according to the head of the department, Vitaly Zablotskiy, that is not the case. According to him, a regional HQ sends the invitation to the Leader and to the Director of Advance.)
- The invitation is then analyzed by Alexander Orda, who calls the regional HQ and starts preparing the advance trip. Meanwhile, the regional HQ develops a proposal.
- 3. When Mr. Orda travels to the region to prepare the trip, he analyzes whether the event, to which the leader been invited, fits within PoR goals. The proposal by the regional HQ includes such aspects as which stops are going to be made and where are they going to be made, what people will be in the crowd and which will be allowed to meet with the leader, meetings with the Party activists, explanation of the party goals, etc.
- Next, Mr. Orda goes to and examines the proposed venues.
- 5. Once the advance report is complete, it goes to the Advance Director, Mr. Skubashevsky.
- 6. Mr. Skubashevsky finalizes the advance report and forwards it to the Leader.
- If the Leader decides not to go to the region, it is back to square one. If he does, then the trip is set for the specific dates, determined by his schedule (sometimes controlled by his personal assistant/scheduler Dimitry Karakai).
- 8. At this point, the Advance Group starts coordinating with the Leader's Press Service (Anna German and Darina Kosolapova), the security department and with Mr. Demianko's Logistics Department. The Logistics Department is located at the Leader HQ and is the one responsible for the transportation, hotels, communications and the security arrangements. The Logistics Department assures that the vehicles for the leader (they are usually driven to the region the night before) are deployed at the proper place at the proper time, the hotels are appropriate, etc.
- Upon arrival of the leader at the designed point (airport, border of the region, etc.) he is met by the representatives of the regional PoR HQ. My understanding is that by then the advance representatives are gone.

This is the present state of the advance organization. It appears, that the majority of the advance support personnel are actually part of the Logistics Department. The actual Advance Team consists of only two people.

Exhibit FF

DOJSCO-400743787

MEMORANDUM

To:

Rinat Akhmetov

From:

Paul Manafort

Date:

June 9, 2005

Subject:

Executive Summary

This Report summarizes the results of the National Demographic Survey and Political Audit that were conducted in April and May. The Report presents an analysis of the findings of the Survey and Audit; the development of a strategic framework for the 2006 elections and; the recommendations for achieving these electoral goals. Also set out in the full reports are timeframes for the key decisions that must be taken upon the acceptance of the analysis.

1) EXECUTIVE SUMMARY

The successful presidential campaign of Victor Yushchenko was framed around the theme of "reform" and the "need for a change". He was able to ride the tide of anger and frustration on the part of the Ukrainian electorate to victory notwithstanding the relative economic prosperity that the country was experiencing.

In analyzing the election results, too much emphasis has been placed on the regional divide of the Russian-speaking enclaves of the East and South and the Ukrainian regions of the center and west. Yushchenko's victory was primarily conceived on the populist foundation of "time for a change", the need to "end corruption", the demand to end favoritism and the creation of a government that was based on the right of the people to control their government.

A careful analysis of the election results, as viewed through the findings of our survey, clearly shows that the Ukrainian public, including key elements of the electorate that comprised the core of the Yushchenko victory, while saying that they wanted to look to the west were not demanding a dramatic philosophical change in the role of government. What the electorate was demanding was a change in the way in which governing is conducted and the application of law that is equal for all, not just a few chosen ones.

Given the popularity of the Yushchenko Government, the unpopularity of the Party of Regions throughout most of Ukraine, the negative appeal of the leader of the Party and the issue agenda of the electorate, the range of options is significantly limited. However, these limited options do present us with some solid opportunities.

In analyzing the popularity of the various Ukrainian political parties, the most obvious fact is that the President's popularity is clearly transferred to his party, Our Ukraine.

1

Significant in our survey is the fact that notwithstanding the personal appeal of Prime Minister, Julia Timoshenko and her job approval, her Party Bloc has not benefited significantly.

The Socialist Party is virtually the only party in a position to take advantage of the/any erosion in the popularity of the governing parties. Its success will depend on how it constructs its strategy and communicates its message. Notwithstanding this positioning, the Socialist Party does not appear to appreciate the opportunity or be organized to reap any of the benefits of it.

In its current form there are dramatic limitations to the upside potential of the Party of Regions to attract new voters beyond its regional and ethnic base in the timeframe necessary.

The National Survey tested the appeal of Yanukovich as a candidate for Prime Minister in 2006. An overwhelming majority (87%) said that they would not like to see Yanukovich as Prime Minister ever again. This viewpoint is consistent throughout the country with a plurality of voters in *every* region saying "no" to his candidacy.

Consequently, the ability of Yanukovich to help lead a campaign against the current administration will not only fail, but it will never gain any traction. Additionally, it carries the potential to destroy the Party of Regions if he is presented as its leader in the elections.

2) RECOMMEDATIONS

Reorganizing the Party of Regions must begin with the replacement of the Leader of the Party.

A replacement program to select a new Party Leader must occur immediately. The means by which the change occurs is just as critical to the success of the replacement as is the identity of the successor. The candidate should be from the South or Southeast regions and ideally have limited association with the previous government.

Organizational re-structuring of the Party of Regions must also occur. The restructuring will focus on:

- 1. the training of the regional political leaders,
- infusing leadership with updated political methods, communications tools and materials to work with party leaders and voters,
- the development of a program of new ideas to offer a credible alternative to the voters, and
- 4. the revising of the image of the Party.

Beyond reorganizing the regional offices, a focus needs to be placed on improving the communications between the Party Central HO and the regions and the regional offices

and the voters. The training program will include development of materials on all necessary political organizing and voter contact and training of the leadership on how to effectively use the materials.

3) DEVELOPING THE ELECTORAL STRATEGY FOR THE PARLIAMENTARY ELECTIONS

Even accomplishing the objectives of the re-structuring of the organization and image of the Party, it will be near impossible to conduct a national campaign to capture control of the Parliament based primarily on the Party of Regions political appeal. The Report presents three options for an election strategy:

- Building a Minority Coalition Option
- Running Alone Option
- The "Big Deal" Coalition

Some of these options seem more realistic to achieve than others but in assessing the seemingly impossibility of accomplishing these objectives it is important to realize that the impossible can come true if planned correctly, executed and financed efficiently and promoted correctly.

All of the options presented should be thoroughly considered. The decisions on the core recommendations must in the next few weeks in order that we may embark on the "Reorganization Phase" as discussed in the full document.

I. Overview

The purpose of this Report is to set out the findings from the Benchmark demographic survey that was conducted in May, 2005 and the Audit of the Ukraine political scene that was conducted in April and May of this year.

The assignment was to identify the current state of the electorate as relates to the new Administration and to their priorities and expectations and analyze the relative state of capabilities of the Party of Regions as a viable force to contest the Parliamentary elections of 2006.

This document is meant to provide a road map for activity over the course of the next 3 months. This road map needs to focus on what needs to be done in order to be a viable participant in the 2006 elections. The studies had no presuppositions as to the issues, priorities, or even the political vehicles and leaders that need to be central to any successful efforts.

The framework of this Report will present our findings in a building block format. It shall first analyze the priorities of the electorate, its expectations of the new Government, its perceptions of the key Governing Coalition Parties and leaders. With this analysis in place, the Report will then turn to an analysis of the Party of Regions as a viable political force, credible opposition party and potential electoral challenger.

With the framework in place, the Report will discuss several strategic options for the remainder of 2006 and the actions that will be required to construct a credible political force and several options to create a "winning coalition" in the Parliamentary elections. In this section, the Report will identify the foundation for the political program, several options on building a coalition and what needs to be done to make those options viable, and finally a timetable to do what is necessary to be credible in 2006. These recommendations will incorporate plans for training of leaders, media strategy and how to use the RADA legislative sessions to enhance the political strategy.





II. Findings of the National Demographic Survey and Political Audit

1. The Reason for Yushchenko's Election

The successful presidential campaign of Victor Yushchenko was framed around the theme of "reform" and the "need for a change". He was able to ride the tide of anger and frustration on the part of the Ukrainian electorate to victory notwithstanding the relative economic prosperity that the country was experiencing.

Normally, the candidate of an incumbent party presiding over a strong economy with optimistic forecasts of future growth and investment can expect to be elected handily. For the electorate to reject such a candidate, powerful forces need to be at work. Yushchenko's victory was even more incredible when one analyzes the relative disorganization of the coalition managing the campaign and the lack of any consistent election program other than "throw the bums out". In fact, there was little idealogical cohesion among the disparate parties enveloped under the umbrella of the "Orange Revolution".

In analyzing the election results, too much emphasis has been placed on the regional divide of the Russian-speaking enclaves of the East and South and the Ukrainian regions of the center and west. In fact, even those electoral breaks can be seen to be driven by whether the region was represented by the Kuchma Government or not a part of the governing elite. Yushchenko's victory was entirely conceived on the populist foundation of "time for a change", the need to "end corruption", the demand to end favoritism and the creation of a government that was based on the right of the people to control government.

A careful analysis of the election results, as viewed through the findings of our survey, clearly shows that the Ukrainian public, including key elements of the electorate that comprised the core of the Yushchenko victory, while saying that they wanted to look to the west were not demanding a dramatic philosophical change in the role of government. In fact, strong segments of the Yushchenko electorate have the same views on the role of government as those sections that supported Yanukovitch. What the electorate was demanding was a change in the way in which governing is conducted and the application of law that is equal for all, not just a few chosen ones. The attraction to the US and Europe was based more on the desire for freedoms of those places more than on any philosophical attraction.

The significance of this finding is that the only successful strategy to compete against the Yushchenko Coalition cannot be constructed on a foundation of competing regions. The only way for the losers in the Presidential race to improve their standing in the 2006 Parliamentary elections is to build a strategy that expands the demand for reform and demonstrates that the current Government is acting in the same fashion as its predecessor and is not delivering on its campaign promises, notwithstanding its rhetoric. One must seek to out-reform the reformers.

In developing this strategy, the program must be built block by block. Currently, such claims would fail, even though they are true. This is because the public has not yet become disillusioned with the new Government nor has the opposition enunciated its views on reform. The good news is that the "elites" of Ukaine and the region are beginning to question the ability of the current government to accomplish its goals and they will be useful and necessary tools to any successful effort.

2. The Priorities of the Ukraine Electorate Today

Before constructing any campaign plan it is important to know what the people of Ukraine want from its Government. The mood today is very optimistic.

Today, Ukrainians have a very positive attitude about the direction of the country. 59% of the people believe the country is heading in the right direction with only 26% saying wrong direction. Every region of the country, except the South, believes this to be true with the positive views being strongest in Kyiv(75%) and in the West(83%). When analyzed demographically, there are no significant differences based on age, gender or education. Only when viewed on a class basis does a slight difference emerge with 60% of Middle Class and a Working Class believing the direction is right while only 49% of the Poor believe this to be true. Other than the poor, only the ethnic Russian segment holds a differing viewpoint with 36% saying right direction and 47% saying wrong direction. It is important to note that when viewed through the party identification prism, those who associate with the Party of Regions differing from all other parties in believing the country is heading in the wrong direction.

Believing the country is headed in the right direction, the electorate we polled also believes that in the next 6 months life in the Ukraine is going to get better and that their personal situation will also improve. This expectation is fundamental to the political strategy that we will need to develop, the social and economic program we promote and the timing in which we surface the program.

The public is very clear on how they expect to see a better life. It is because they believe that with a fundamental change in the framework of society the government will be better able to create an economic, social and legal environment that will improve their lives. The national survey found an overwhelming expectation by the Ukrainian voters that their new government demonstrate a deep and abiding commitment to creating a rule of law for Ukraine and to ensure that Ukraine remains a unified nation. This attitude drives their expectations. Creating a "rule of law" for Ukraine is universally viewed as the most important priority for the government with virtually no difference in the level of importance attached to this priority based on geography, age, education level, or socio-economic status.

Again, it is important to note that only Russian nationals, voters in the South and Krym, Donetskaya and Luganskaya Oblasts, and Party of Region supporters have a disproportionate response to the priorities expressed by the rest of the electorate. This will be important when we analyze our election prospects and opportunities.

Within this atmosphere, the voters expect and are demanding that Government focus on policies that "strengthen their personal financial situation", which they define as keeping prices stable while keeping unemployment low and raising their standard of living (meaning wages and pensions). These are micro-economic expectations-issues that drive their daily lives. The public is <u>not</u> focused on macro-economic issues such as reprivatization or trade or the fiscal policy of the new administration.

Our national survey presented voters with 15 different options for government to focus its economic policies. The voters fixated on 2 specific issues – raising the standard of living and preventing unemployment from increasing. These two policies were viewed as the top priorities in every region of the country and among almost every segment of the electorate. The only notable exception was in Kyiv where the voters were very emphatic that the number one priority must be to "crack down on corruption". The significance of this finding must be factored into our strategy. The people are focused on pocketbook issues but the media centered in Kyiv will be feeling the pressure of voters with a different agenda, corruption. We will need to be sensitive to the reform motivation that the elites will believe, because of where they live, is the most important issue.

To do so will require us to be credible on reform in Kyiv but outside the capital, to stress solutions which are responsive to the real issues that motivate the public – wages and jobs.

3) Expectations Game

It is in this context that it is important to understand the role that the public expects out of its government. When offered the choice between a government that acts primarily as an engine to power the economy or one that must make sure that the people's basic needs are met, 37% chose the safety net while only 17% selected the engine for the economy role. 43% were not certain. The significance of this finding is that even though the electorate wants to look westward because they believe that doing so will enhance economic opportunity, they are not prepared to have economic polices that do not stress the "safety net" role of government.

So, when the Prime Minister promotes policies that are more socialistic than capitalistic it is playing well with the electorate even though it may diminish interest by westerners to invest in Ukraine. We will need to navigate between these very sharp differences as we structure our campaign strategy. Yushchenko is using rhetoric that is popular in the West while allowing the Prime Minister to execute policies that are inconsistent with his rhetoric but popular with voters. This will eventually result in Western criticism of the administrations economic policies. We can use this criticism to note the growing lack of confidence in the Yushchenko/Tymoshenko administration and draw conclusions that their governance, not their policies, is causing a loss of western investment resulting in a negative impact on the growth of the Ukrainian economy.

This same dichotomy can be seen influencing the decisions of this Government on the issue of "re-privatization". While western governments are pressuring Yushchenko to refrain from any such policy, a clear majority of Ukrainian supporters of "Our Ukraine" and the "Tymoshenko Bloc" support such a program. This dilemma will create tensions in whichever block loses. If Yushchenko follows his announced policy to work with the current owners and not to re-tender or nationalize, a segment of his base will be disappointed. If he follows the direction of the Prime Minister and the State Property Commisioner Semenyuk and recaptures the properties, the West will abandon him. From a political perspective, we should seek to drive this wedge between him and his base.

The nationalistic tendency of the electorate is further demonstrated in the response to the issue of Kryvorizhstal. 56% of Ukrainians believe that the steel mill should be renationalized while only 20% believe the current owners should be allowed to pay more to keep the asset and just 8% want a re-tender of the asset. Only in the east is there a plurality that favors the current owners being allowed to keep the asset (39%). Thus, when the Prime Minister and State Property Commissioner speak to national assets belonging under government control, they are finding a receptive audience in the electorate. This popular support creates a real tension between the populist politics of the Prime Minister and Yushchenko's campaign commitments to build a market economy.

This is another clear example of the electorate's motivation in December 2004. They wanted a change in leadership more than a change in policy. It re-enforces the notion that the 2004 election was about cleaning out a system more than changing the philosophical underpinnings of the system. Further conflict inside the administration will ultimately undermine the publics support for this administration.

This fact is critical to the creation of a campaign strategy for the 2006 Parliamentary elections. The pulse of the electorate is for reform but the heart of the electorate still yearns for a socialistic state that will protect them. This yearning creates a significant challenge to develop a winning election strategy while at the same time not dismissing the desire to look westward because the two goals – westernization of Ukraine and a state control of the economy – are at odds with each other. The balance needs to be one that demonstrates sensitivity to the plight of the people while offering the hope of building an economy that will attract western investment.

This balance can be found more easily in the rhetoric of a campaign rather than in the management of a Government. President Yushchenko is currently experiencing this pressure, while the Prime Minister is playing more to the politics of the populace with little concern for the inconsistencies or even the dilemma facing the President. In fact, it can be postulated that she has made a political calculation that this tension is the foundation upon which she shall carve her independence from the President while serving at his pleasure. At the point the tension becomes too intense, she will leave or be fired and claim that the President is violating his commitments to the Orange Revolution. It is not an unwise strategy for her.

4. The National Leaders - A Perspective in Contrast

The electorate has definite views on its political leaders. The intensity is strong and the approval attitudes are clearly delineating by the images established in the 2004 Presidential campaign.

The positive ratings for the current leaders of the government, in contrast to the very negative ratings for the leadership of the previous government, are dramatic. The Chart on the following page captures this contrast dramatically. The current administration is still enjoying a significant honeymoon with the electorate.

lame	Favorable	Unfavorable	No opinion	Never Heard Of
olodymyr Lytvyn	68%	17%	14%	1%
Dlexander Moroz	57%	30%	13%	•
viatoslav Piskum	14%	48%	35%	3%
etro Poroshenko	29%	37%	31%	3%
iktor Medvedchuk	12%	68%	20%	1%
ladimir Putin	53%	33%	15%	*
onid Kuchma	6%	86%	8%	*
ris Koloesnikov	9%	38% `	43%	11%
at Akmetov	12%	43%	34%	11%
ctor Pinchuk	7%	51%	34%	8%
rgei Tyhipko	15%	50%	32%	3%
ictor Yanukovich	31%	60%	8%	
ılia Tymoshenko	67%	26%	8%	
ktor Yushchenko	70%	22%	8%	

As is demonstrated by the chart, the most popular political figures are the President, the Prime Minister and the Speaker of the RADA. They are overwhelming popular across all segments of the electorate, showing decent support even in the heartland of the regions that originally opposed the Orange Revolution.

The most unpopular politicians are those who were central to the previous government – President Kuchma, Viktor Medvedchuk, and Victor Yanukovich. The impact of the

Presidential election is still very strong. The public views the previous leaders as failures and bad people. Voters don't just disagree with their past policies – they dislike them personally.

The significance of these lopsided numbers is what complicates the creation of a strategy for the lead up to the parliamentary elections. The most difficult time is going to be the remainder of 2005 because the electorate, with such strong support for the President and Prime Minister and such strong rejection of the leaders of the past, will give the current Administration the benefit of the doubt in any debate with the leaders of the past. These ratings provide the Government with the latitude to do things that might have been totally unacceptable if taken by President Kuchma. The best example of this is the arrest of Boris Kolesnikov.

Because Kolesnikov is a leader of the Party of Regions, his human rights and the treatment that he has received are not negatively impacting the image of the Government. In fact, 38% of the electorate believes the government was justified and 42% have no opinion. The only region where the Government is viewed as being unjustified is where the Party of Regions is strongest - the South. Even in the East and Southeast, public opinion is equally divided on the issue of political persecution. Kolesnikov has effectively become a symbol of the past regime.

Because of Kolesnikov's connection to the previous Government, the electorate is taking the position that the Yushenko administration was right. This trust in the decision-making of the Government on issues of human rights was totally absent in judging the Kuchma Administration. Even when expressing the belief that President Yushchenko personally approved the arrest (41% of voters) or that Prime Minister Tymoshenko approved it (35%) does not create an issue of political reprisal. Kuchma would have been crucified in the media, both inside Ukraine and in the West, if he had treated a prominent leader of the opposition the way that Kolesnikov has been treated. The trust in the decision-making process of the Yushchenko Government creates great latitude to use the Government in an abusive way to advantage themselves for the upcoming elections. Many injustices will be tolerated by the electorate in the name of fighting corruption.

While the strong approval ratings of the Government provide them with enormous discretionary authority to act, the attitudes toward the opposition create an equivalent restraint on their ability to respond, notwithstanding the correctness of their criticism. The intensity of the negative ratings remove the ability to credibly challenge the actions of the Government, even when they are as blatantly abusive as the treatment of Kolesnikov. This is especially problematic when the opposition leader is viewed by the electorate as a part of the corrupt past.

In creating a strategy to oppose the actions of the Yushchenko Administration the messengers are as important as the message. If those who attack the Government are associated visibly with the previous regime, their message will be ignored, regardless of the merits of the message.

This is most dramatically obvious in analyzing the electoral attitudes towards Victor Yanukovich. His ratings are among the most negative image ratings in the country. Not only do 60% of the electorate have an unfavorable opinion of him, the intensity of that view is overwhelming with 37% saying they strongly dislike him. These negatives are pervasive throughout the country. There is very little difference based on gender, age, education or perceived socio-economic class. 52% of rural voters strongly dislike him and 70% of rural voters hold these feelings. (When analyzed against the image of the Party of Regions, Yanukovich is a net 6% worse than the party. This will be discussed in further detail later in this paper.)

With this level of disapproval, Yanukovich has no ability to drive a message. Any efforts to build a credible platform in opposition, to develop policy positions or legislative initiatives or lead a parliamentary campaign will never get off the ground. People will not accept any criticism if it is being spoken by Yanukovich. The feelings about President Kuchma are even worse. Thus, the construction of any plan for 2005 must be built around someone or some entity that is not associated with any of the leaders of the previous Government, especially Victor Yanukovich. The people have given their judgment on his role in Government and it is not going to change in this political cycle.

President Yushchenko and Prime Minister Tymoshenko enjoy the exact opposite luxury.

While his approval ratings will drop over time, the President is still benefiting from the halo effect of his election. 70% of the electorate view him favorably. In areas of the country that he carried in the election his support is overwhelming – 84% of Kyiv, 90% in the West and 88% in the Center. Only in the South Krym is his support below 50%. There is no gender gap and no age gap. The only significant break is between ethnic Ukrainians (80% favor) and ethnic Russians (45% favor).

His favorable image is driving his job approval. 66% of the electorate approve of the job he is doing. The profile of his job approval follows that of his favorable image. The chart below rates the President on the key performance criteria that will be important in creating a Parliamentary campaign against his Government next year.

Vachalanda I.I. Bartana Garta			
Yushchenko Job Performance Series	Good job	Unsure	Not a Good job
Creating a strong economic policy for the Ukraine	57%	27%	17%
Providing a "vision" for the future of the Ukraine	65%	20%	15%
Creating a strong foreign policy for the Ukraine	68%	19%	12%
Understanding the needs of people like me	55%	24%	21%
Privatizing industry in the Ukraine	48%	37%	16%
Ending corruption	64%	19%	17%
Caring about the majority of Ukrainian people	56%	25%	20%

The chart shows that the support of his performance is high and the disapproval is very low - too low to mount a credible campaign in opposition. However, the voters who are unsure on his job performance become the basis of whether such a campaign can be successful. There is enough uncertainty to create hope in opposition. The key to a successful election campaign is to focus on the right messages and have the right messengers.

Analyzing the series of questions an interesting finding jumps out. When the President is rated on themes of the Orange Revolution – vision for the future, ending corruption, caring about the people – his ratings are strong. When rated on actual performance – privatizing industry, creating a strong economic policy – his numbers drop. People are starting to see the disconnect between promises and performances and therein lies the opportunity to mount a successful effort next year.

As time goes on and the Government continues to drift in the execution of its policies, the impatience of the public will begin to show. It must be assumed that even as this occurs that the President will be able to maintain his personal appeal. This is because he has already achieved his most important accomplishment as far as the electorate is concerned – he vanquished the evil empire. However, his job approval will deteriorate if his Governments performance does not meet the expectations of the public – to create a rule of law and to strengthen the personal financial situation of the citizens. As it does deteriorate the opportunity will grow. It will be our role to focus public attention on these issues.

Analyzing the profile and job approval of Prime Minister Tymoshenko shows a similar electorate rating. She is very popular as a personality (67% approve of her) and her job

approval follows her favorable image. She, too, will suffer a deterioration from a lack of performance.

The question is how we bring attention to the failing policies. In normal circumstances it is through the methodical promotion of a strategic message. The environment is right to raise already high expectations for the current government. Once the public becomes disillusioned we can begin to drive a more negative message. While it is too soon for such a message because the electorate is not ready to say that the job is not being done, there clearly is a message which we can organize and be prepared to promote. The biggest challenge is not the message. The biggest problem is the lack of a messenger.

5. Analysis of the Political Parties

Having an appealing message is critical to a successful challenge of an incumbent Government. But, more important is having a credible messenger or conversely having an opponent who is not credible and therefore unable to promote its message.

The 2004 Presidential election was a classic example of both factors. The Kuchma Government was a discredited and wholly unpopular regime. Notwithstanding the fact that the economy was growing at a level which should have been sufficient to ensure a successful campaign for whoever carried the banner of the Administration, the candidate of the Kuchma campaign never gained traction on any set of issues. In fact, the principal base of support for Yanukovich's candidacy was from the establishment that had everything to lose if he lost. The support was not personal to Yanukovich. It was not driven by ideology. It was not rewarding competency. Rather, the principal basis of the overwhelming support for Yanukovich was founded in self-preservation of power and economic interest.

Consequently, as the campaign heated up, the electorate that was not directly advantaged by the Kuchma Government was not listening to the message of Yanukovich. The success of the economic program which should have ensured his election never resonated with the public. Yanukovich's designation as the candidate of the Administration poisoned his appeal as much as the dioxin poisoned the body of Yushchenko.

The Party of the Regions, being associated as the party of Yanukovich, was similarly poisoned. Its appeal never broadened beyond the geographical limits of its genesis in the South. This limitation still exists today and must be addressed if it is going to be the vessel that is used to mount the 2006 Parliamentary campaign.

The mirror opposite is reflected in the images of the parties of the President and Prime Minister. This is evident from the chart below which chronicles the findings of the National Survey.

	~		100		
Party	<u>Favorable</u>	<u>Unfavorable</u>	No opinion	Never Heard Of	
Our Ukraine	63%	22%	15%	0%	
Socialist Party of Ukraine	49%	31%	21%	0%	
Communist Party of Ukraine	17%	68%	16%	0%	
United Socialist Democratic Party	17%	58%	24%	1%	
Peoples Party of Ukraine (former Agrarian Party)	20%	30%	41%	8%	
Yulia Tymoshenko Bloc	61%	26%	13%	0%	
People's Democratic Party- Party Of Industrialists and Entrepreneurs	27%	28%	39%	6%	
Rukha	16%	45%	36%	2%	
Party of the Regions	25%	50%	24%	2%	

This chart reveals several important clues to the capabilities of the parties to do their job in attracting voters next year.

The most obvious fact is that the President's popularity is clearly transferred to his party. Our Ukraine. In fact, it is the only party which maintains a truly "national support base" in the country. With the exception of the South region, Our Ukraine receives a plurality of the vote in every other region of the country. It dominates in the Center and West where it receives over 50% of the vote and is very strong among rural men, the middle class, and voters who see corruption as the major issue facing Ukraine.

Clearly, the party which is an extension of the President and not one that has historical strength has the credibility to be an effective messenger for the campaign themes to be advanced by the President as he seeks a Parliamentary majority. The good news from our standpoint is that because of the extremely close association of the President and the Party, as his job approval numbers decline, which they will, the appeal of the Party will be affected. Given the favorable image of the President, which we can expect to remain high even as his job approval diminishes, it will be important to our strategy that we delink the President from the candidates representing Our Ukraine in the election. This strategy will be developed as we get closer to the election period and events are more definitively set out. For now, it is sufficient to understand that this will be a key objective of our political campaign strategy.

An equally important objective of our campaign will be to <u>de-link the Prime Minister</u> from the <u>President</u>. Significant in our survey is the fact that notwithstanding the personal

appeal of the Prime Minister and her job approval, her Party Block has not benefited. This is because the President is getting the benefit of the success and it is translating to his Party. Tymoshenko definitely understands this; it is the principal reason why she is setting out differences on important issues with the President – like re-privatization, price controls, attacking Russian oil tycoons.

On all of these issues Tymoshenko is speaking in favor of the position that the polls indicate are popularly embraced by the voters. She is trying to position herself as the guardian of the public interest and force Yushchenko to either embrace her initiatives or be seen as an obstacle. Wisely, the Prime Minister is not trying to draw rigid differences yet. Rather, she is setting the table and preparing for a moment, if it comes, when she can summarize the differences and position herself as the true guardian of the Orange Revolution.

Her challenge is daunting. Her party has not gained much more appeal than it had at the time of the Presidential election. While she is seen as an important member of the ruling body of the Orange Revolution, Yushchenko is gaining the major national benefit in Party support.

Tymoshenko Bloc

Tymoshenko's bloc is regionally based most of her Party support found in the Center region and Kyiv. Her ballot strength drops dramatically in the South, Southeast, and East. Demographically, her support is centered around 18-39 women, women living in rural areas, part-time workers, and voters who want government to focus on improving social services. Clearly, her personal popularity is not contributing to ballot strength of the Bloc, unlike the impact that Yushchenko's popularity is having on his party's ballot strength.

In fact, from Yushchenko's standpoint today, Tymoshenko brings little to the electoral coalition in attracting voters that Yushchenko does not already have. Even among voters who have a favorable impression of her and her job performance, only 16% of them prefer her party to Our Ukraine while 56% of those voters would chose Our Ukraine over the Tymoshenko Bloc. The conclusion is that she brings very little to Yushchenko that he cannot get on his own. This will be an important fact in devising our strategy and our options.

Socialist Party

Of all of the other political parties not withstanding the new election rules, the one positioned to do well in the 2006 elections if it constructs the right strategy is the Socialist Party. Aside from Our Ukraine and the Tymoshenko Bloc, the Socialist Party is the only other political party in Ukraine that has a positive favorable to unfavorable ratio among the voters (48% favorable, 31% unfavorable).

While the current ballot strength of the Party is quite limited overall, the party does have a significant geographic base among voters in certain regions. In particular, in Kyiv it

polls 17% of the voters, just below that of the Tymoshenko Bloc. Over 60% of Our Ukraine and Tymoshenko Bloc voters indicate that they have a favorable impression of the Socialist Party. This fact indicates that as support for the Government erodes, the Socialist Party is in a position to take advantage of the erosion. Its success will depend on how it constructs its strategy and communicates its message.

Currently, the fact that the popularity of its leader and the favorable image of the Socialist Party are not driving ballot indicates that two important facts. First, the Party's voter base is supporting Our Ukraine and to a lesser extent the Tymoshenko Bloc because they are viewed as more credible governing parties. The second fact is that this is true because the Socialist Party has not defined itself as a credible alternative. This is the challenge of their election strategy. If they construct a credible program and articulate it, they can benefit with an increased share of the ballot.

The Socialist Party's standing and opportunities are in clear contrast to the current position of the Party of Regions. The Party of Regions is suffering from its association with the Kuchma regime and the leadership of Victor Yanukovich. However, notwithstanding the negative impact of these two associations, the Party remains a viable political force and has the capacity to play a significant role in the upcoming Parliamentary elections. Unlike the Socialist Party, though, the Party of Regions has more limited opportunities and much less room for error as it devises its political strategy.

Party of Regions

The Party of Regions currently receives 16% of the vote in the upcoming Parliamentary election which places it second to Our Ukraine and just above the Tymoshenko Bloc. The reason it does better on the ballot than the Socialist Party, despite a less favorable image, is because the Party of Regions has a homogeneous base that is not a part of the Governing coalition. This base is narrowly defined that is distinguishable both demographically and geographically. The fundamental base of support for the Party is found almost exclusively among voters of Russian ethnicity. This fact significantly narrows the ballot strength to a narrow regional base of support. This base is found in the South and Southeast where 30% of voters indicate they would vote for Party of Regions candidates.

The Party of Regions support almost falls off the charts outside of these two regions. It gets barely 2% in Kyiv and only 6% in the Center. Among Ukrainian nationals, the Party image is fairly negative with 25% having a favorable image and 50% having an unfavorable view, while 49% of ethnic Russians view the Party favorably. This fact is what limits the upside potential of the Party of Regions to attract new voters outside of its regional and ethnic base.

Krym and Donetskaya drive the Party of Regions' favorable image. Urban voters (21%) are a bit more favorable to the Party than rural voters (18%). Only 22% of self-identified "working class" voters view the Party favorably, compared with 24% of the "poor".

Among the reasons for this high unfavorable rating is the belief by a majority of voters (54%) that the Party of Regions does not understand the needs of "people like us". On this issue there is a significant gender gap with 60% of men believing the Party does not understand their needs, and 49% of women. Also, there is an age gap – the younger the voter, the more likely they feel that the Party does not understand their needs. Among the classes, 64% of the middle class, 53% of the working class and 46% of the poor hold this view.

When asked which description best represents the Party of Regions in their minds, a plurality of voters (24%) said corruption, while 21% said "party of the oligarchs". The most favorable findings were 13% saying strong leadership and 10% saying "party of the working people". These latter two descriptions are what is driving the 25% favorable image of the Party which is translating into a 16% ballot share.

The Yanukovich Limitation

With Victor Yanukovich as the Party Leader, the prospects for the Party of Regions diminish even more. Even though Yanukovich ran for President as the leader of a coalition that was broader than the Party of Regions, his net impact on the prospects of the Party of Regions to grow is not good. He has no positive coattail effect. In fact, his impact is a net negative on the Party.

While Yanukovich has a slightly higher favorable rating than the Party of Regions (6% more favorable), his negative rating is 100% higher than the Party. More importantly, in the areas that will be important to the Party to attract new voters, Yanukovich's negatives are much higher (16% more unfavorable in the Center region, 10% more unfavorable in the Southeast, 10% more unfavorable among rural voters, 14% more among clerical workers, 11% more among the poor, and 13% more among Ukrainian nationals.)

Yanukovich is limiting almost any opportunity for the Party of Regions to grow its voter support as the job approval ratings of the governing coalition diminish with the failure to fulfill the expectations of the voters.

The National Survey tested the appeal of Yanukovich as a candidate for Prime Minister in 2006. An overwhelming majority (64%) said that they would not like to see Yanukovich as Prime Minister ever again. This viewpoint is consistent throughout the country with a plurality of voters in *every* region saying "no" to his candidacy.

Incredibly, 72% of rural voters and 59% of urban voters totally reject his candidacy. Among ethnics the story is worse with 72% of Ukrainians and 40% of Russians saying they would never support his candidacy. Even among voters who have a favorable impression of Yanukovich (31%), only 67% would like to see him run for Prime Minister and only a small percentage of them say that would vote for him if he ran.

The intensity of these feelings is very strong. Consequently, the ability of Yanukovich to help lead a campaign against the current administration will not only fail, but it will never gain any traction. His leadership into the campaign would probable signal the death knell of the Party and Coalition that he leads. Except for his limited base, few would pay any attention to his message, simply writing him off as a discredited, corrupt representative of the past. Any attacks on the failures of the Yushchenko Government would never resonate and therefore have little impact of attracting voters. If a credible alternative force were to emerge (like the Socialist Party), even the current base of support could move off the Party of Regions because the intensity of the ballot support is not as intense as the opposition to the current Government. So, if an alternative, credible opposition Party emerged, it could easily attract a significant portion of the 13% of the ballot that the Party of Regions is getting in our National Survey.

The prospects for many of the other parties currently represented in the RADA are equally as dim. The views of the electorate towards them are quite negative, especially for the Communist Party, the United Socialist Democratic Party and the Rukh Party. The ability of these parties to grow beyond their base is very limited. Many of the smaller parties could suffer a failure to reach the threshold of 3% required to elect representatives to the next RADA.

Party Support for Parliamentary Elections

Our Ukraine	- 40%
Party of the Regions	- 16%
Tymoshenko Bloc	- 13%
Socialist Party of Ukraine	- 5%
Communist Party of Ukraine	- 3%
USDP	- 2%
People's Party of Ukraine	- 1%
Rukh	- 0%
Other political party	- 1%
Would not vote	- 5%
Refused	- 2%
Undecided	- 14%

While this ballot breakdown probably represents the nadir of the Party of Regions prospects, the ability to grow its support cannot be assumed to be a natural consequence of the erosion of support for the Governing Coalition Parties, given the current feelings about the Party of Regions and its Leader.

Waging a winning campaign will have to be founded on a creative strategy that incorporates a variety of options into the campaign plan. These options will be explored in a preliminary manner later in this Report.

6. Analysis of the Organizational Structure of the Party of Regions

The history of the Party of Regions reflects a fusing of various regional political factions coming together in order to govern. The glue to the historical fusions was the parties in power seeking to cement their control of government. Ideology was secondary to maintaining power as a motivating influence. While the history is instructive, it is not necessary to delve into those events for the purposes of this audit.

The party ceased to be a relevant issue when Viktor Yushchenko was elected President. At that moment, the raison d'etre holding the Party together vanished. This fact is significant in that the means to maintain control and influence over the Party membership has been materially altered.

The basis for the Party's historical growth at the grassroots level was directly related to its ability to dispense favors. The ability of the Party to award jobs and to provide benefits emanated from the office of Governor of the Oblasts and control of the national Government in Kyiv. Party platforms mattered little to the attraction of members. As a consequence, when the core factor in attracting members was eliminated with the loss of Yanukovich, the Party's ability to grow and even to manage itself was significantly damaged.

Another relevant factor that is fundamental to the efforts to create a viable political party is the bifurcation of the management of the Party between Kyiv and the regions (mainly Donetsk). This was most evident in the management of the Yanukovich Presidential campaign and that management style continues today.

The Party's central headquarters is currently staffed by about 100 people but due to irregular funding the number has been diminishing. The management plan adopted at the Annual Party Congress held in March of 2005 called for the funding of a plan to employ 3-5 staffers at each regional level and 1-2 people at each city and district level. All regional chapters and local organizations are supposed to be financed both from the central HQ and through local financial resources. RADA deputies are unofficially funded by the Party.

The central office of the Party is in Kyiv where most important meetings are held. The national leadership works there. Most of the communication between the central HQ and the regions is done telephonically.

The leadership of the Party is elected annually at the Party Congress which is the supreme body of governance for the Party. Its leadership is organized around a Chairman and Executive Committee. The structure of the current Executive Committee is as follows:

- · Department of Organizational and Political Work
- Department of Strategic Planning, Public Relations, and Technologies
- Department of International Cooperation
- Department of Internal Policy
- Department of Finance

The current committee is mostly Donetsk based. Its members, as elected in March at the Party Congress, are:

- Victor Yanukovich Chairman of the Party of Regions since April 2003
- Raisa Bogatyreva Chairwoman of "Ukrainian Regions" fraction in Verhovna Rada
- Vladimir Rybak Deputy Chairman of the Party of Regions and Chairman of the Political Council
- Nikolai Azarov Chairs the Political Council of the Party of Regions
- Vasilyi Georgievich Djarty First Deputy Chairman of Political Executive Committee, Party of Regions
- Andrey Klyuev First Deputy Chairman, Party of Regions, Secretary of Political Council of the Party
- Sergei Larin Chief of Staff for Political Executive Committee, Party of Regions
- Stanislav Valerianovich Skubashevsky Head of Department of Organizational Operations, Party of Regions
- . Boris Kolesnikov Head of Donetsk chapter of the Party of Regions
- · Anatolyi Bliznyuk -Acting Head of Donetsk Chapter of the Party of Regions
- Tatiana Bakhteeva Head of a Department of the Party of Regions' Political Council

The RADA deputies faction currently consists of 35 members of which 29 were elected in "single mandate districts" which will be abolished in the new Parliamentary elections of 2006 (meaning that all will be on a Party List).

According to Party records, the breakdown of current party membership and organization by region is as follows:

#	Party Branch	Membership	Number of party organizations of city and district level	Number of field level organizations
1	Crimea Republican Branch	22,090	268	490
2	Dnipropetrovs'k Branch	41,345	66	612
3	Donets'k Branch	287,235	429	4,483
4	Zhytomyr Branch	18,416	610	825
5	Zaporizhzhya Branch	19,002	175	280
6	Luhans'k Branch	54,156	217	446
7	Mykolayiv Branch	14,301	257	555
8	Odessa Branch	26,969	254	542
9	Poltava Branch	15,769	381	501
10	Kharkiv Branch	33,910	279	1,297
11	Sevastopol' City Branch	3,935	6	92
12	Transcarpathia Branch	7,061	244	571
13	Ivano-Frankivs'k Branch	2,675	69	115
14	Kyiv Branch	7,203	234	475
15	Kirovohrad Branch	15,661	342	1,379
16	Kyiv City Branch	39,845	11	451
17	L'viv Branch	2930	74	1,628
18	Kherson Branch	4979	79	483
19	Chernivtsi Branch	6211	47	166
20	Vinnytsya Branch	14,446	286	969
21	Volyn Branch	2,751	209	284
22	Rivne Branch	5,998	27	165
23	Sumy Branch	6,303	203	423
24	Ternopil' Branch	2,902	103	190
25	Khmel'nyts'kyy Branch	19,136	617	837
26	Cherkasy Branch	6,541	69	173
27	Chernihiv Branch	4,072	23	210
	Total:	685,842	5,579	18,642

From the political audit that was conducted, this organizational chart is not real and in its current condition cannot be relied upon to construct a Parliamentary campaign.

From a review of the Party records, the self described Party base is comprised of the following groupings:

- Ethnic Russians or mixed Russian-Ukrainians, used to living in traditional Russian-Ukrainian cultural and language environment.
- People of the industrially-developed eastern, southern, and central areas of the country who are concerned with unfair distribution of the budget in favor of the western regions of Ukraine
- Workers of former large state enterprises and their family members
- · Representatives of former nomenclature
- Representatives of older generations (not communist fanatics), war participants
 and veterans, afraid of revival of Bender nationalism and Crimean-Tatar
 Islamism. Citizens of the Donetsk Oblast, where significant positive changes in
 economic/ social spheres and industry became evident during the years of
 Yanukovich's premiership.

When checked against the findings of the National Survey, these descriptions hold up. The relevance of the composition is the self-limiting aspect of the leaders own description. The profile of the Party generally can be summarized as:

- · Speaks Russian or mixed Russian-Ukrainian at home
- Middle aged and older people
- Middle and low income people
- Dissatisfied with Yushchenko and his policies
- Afraid of Ukraine becoming a NATO member
- Population from eastern and southern regions who are not happy with the new order.

7. Management Problems Confronting the Party of Regions Today

The current status of the Party is organizational disarray. This disorganization emanates from the National HQ and reflects much of the disfunctionality that was exhibited in the Yanukovich campaign.

Several political forces were working for Yanukovich during the election. During the campaign, the Party of the Regions could rely on the administrative resources of the Prime Minister, which were represented, first of all, by governors and heads of district administrations who reported personally to Yanukovich. These people usually filled the posts not only of heads of Yanukovich's regional and district campaign HQs, but also the heads of regional and local branches of the Party of Regions.

Yanukovich also had access to the team of President Kuchma, mainly represented by officials of the federal level and people from political and business groups supporting the president, particularly the Dnepropetrovsk group (Pinchuk).

Yanukovich also drew support from the Kyiv group of Medvedchuk and the Social-Democratic Party (united).

Thus, the Party of the Regions was moved aside from the actual decision-making process during the election campaign as a result of coalition agreements between the top people (Yanukovich and Kuchma, Medvedchuk and other "supporters.) Its activists were used mostly in common work and the Party received a paltry amount of financing.

As a result, the Party of the Regions took a back seat and did not take an active part in working on the campaign strategy. The party was financed through Yanukovich-friendly oblast administrations, and never had a say in strategic or tactical campaign decisions. The party was called when some campaign work had to be done, and was assigned with delivery of campaign materials, posters, newspapers, organizing meetings, etc.

But the real decisions were made at Yanukovich HQ, and poor decisions were ample. There was no regional targeting. Thousands of campaign materials were sent to the oblasts that had no Party of Regions organizations at all, while very few campaign materials were sent to the best oblast party organizations that had excellent structure and could have delivered greater result.

As a result, the Party did not seize the opportunity to develop as a larger political organization during the campaign. It failed to put together a qualified staff and train them and failed to build reliable organizational structures. A number of activists and rank-and-file party members feel today that they were betrayed and mistreated by the party leadership.

Without the formal trappings of administration power, the party has little ability to develop policy alternatives that can shape the future debate.

As would be expected, most of Yanukovich's tactical supporters immediately dissociated themselves from him after his defeat. This left Yanukovich with his key Donetsk supporters who worked with him in Kyiv. Most of these individuals were elected to the Executive Council in March.

The relevant fact is that the Party did not grow and the lifeblood of the organization has been withdrawn – the patronage emanating from the Oblast Governors. With the loss of jobs and a shrinking treasury, the ability of the Party HQ to maintain the loyalty of the Party Membership has greatly reduced. Coupled with the negative image of the Leadership of the Party and the failure of that leadership to organize an efficient regional and local structure, the Party is on the verge of disintegration. This will occur first in the weakest regions and eventually work its way into the stronger regions.

In order to stem this erosion a comprehensive rehabilitation program must be initiated. This program should be factored into a Parliamentary election plan, meaning whether the goal is compete regionally in coalition with others or to seek to build a national party for the 2006 elections.

The requirements to build such a Party will be discussed in the portion of this report that focuses on strategy and recommendations.

III. Framework for Development of the Strategy for 2006 Elections

1. Options for Campaign Strategy

The analysis of the state of the Party of Regions organizationally, as well as its voter appeal, limits the options available to us as we prepare the campaign strategy for the 2006 Parliamentary elections.

Given the popularity of the Yushchenko Government, the unpopularity of the Party of Regions throughout most of Ukraine, the negative appeal of the leader of the Party and the issue agenda of the electorate, the range of options is significantly limited. Factoring in the organizational deficiencies of the Party of Regions creates even more limitations. These organizational limitations need to be addressed immediately in order to calibrate the allocation of resources of the campaign.

All of the options will require the Party to understand what it has to offer and develop the skill sets necessary to deliver what it needs to do in order to be relevant in the campaign. Given this fact, we shall first address what needs to be done to modernize the Party's capabilities and put it in a position to compete effectively.

2. Reorganizing the Party of Regions

A. Replacement of the Leader of the Party

Before addressing what needs to be done to improve the organizational capabilities it is necessary to address the leadership factor.

From the analysis set out in the previous section of this Report, the answer to the problem is clear – Victor Yanukovich must be replaced.

He is an impenetrable obstacle to success. He shuts down the ability of the Party to improve or change its image. His presence removes almost all options of uniting in coalition with other parties to build an opposition coalition. His management style is anathema to building a grassroots organization. His negative image significantly affects the ability to promote the messages necessary to attract disgruntled voters who have lost faith in the Orange Revolution. His background and record will completely block the effective dissemination of the campaign messages. His voter appeal reduces the Party to a very limited regional presence that is ethnically based with little room for growth.

Even with the removal of Yanukovich the task of re-building the image of the Party of Regions will be challenging. Its appeal is only marginally more attractive as the analysis has demonstrated. However, with his removal a campaign can be organized to manifest a change in the image and message of the Party. His removal provides the impetus and

interest to grab the attention of the electorate and to signal that the Party of Regions has recognized its main problem and moved to remedy the matter. The means by which Yanukovich is removed, who replaces him and how we promote the change are vital to the successful transition. The planning is critical and must be undertaken carefully.

The change in leadership is not a desired objective. It is a fundamental requirement. Failure to make the change will put us on a course of trying to minimize the speed of the erosion of support and credibility. But, the fact that the base will erode further is inevitable without the change of leadership.

Delay in making the change will also significantly limit our options. The longer it takes to effectuate the change, the more difficult it will be to change the image in time to have the greatest impact on the election.

In replacing Yanukovich, the successor's profile is relevant. There are 2 important considerations that should be factored into the decision process. First is the background of the individual and second is where the individual is from.

New Leadership Profile

The background issue should focus on whether the replacement is a current political activist and leader or a prominent Ukrainian with limited historical connection to the Kuchma Administration or even the Party of Regions. The merits of such a profile are obvious in trying to build a new image. Having a figure with strong economic credentials can be more valuable than having a leader with political credibility. The political credibility can be built in the campaign. But, given the importance of the economic issues to the electorate and where we can expect the Yushchenko Administration to have vulnerabilities, such a profile can be very valuable in rebuilding the image of the Party. It should be noted that a business profile should only be considered if that individual is not connected to a company that is a target of re-privatization.

Ultimately, the re-privatization issue will be resolved, and most likely before the 2006 elections. However, the timing of that resolution does not comport with the timing of when we need to make the change. The change must occur immediately. Re-privatization will take time to implement, even with an agreement between the Government and businesses reached in the next month.

The geographical issue should also be considered, although it is not as vital as the profile. Given that the base of the current Party appeal is geographically limited, the two considerations are to try to expand the appeal or to play to where the current strength is located. An important influence on this choice is whether the campaign strategy is going to be national in scope or an association with other regional parties to be a national influence. The discussion on this point will follow in this Report. The recommendation that will be made later in this paper is to build a regional strategy. The rationale will be presented in the relevant section of the Report.

Given this regional strategy, it is recommended that the replacement candidate come from the region where the Party's support is based, either the South or Southeast.

Recommendation: A replacement program of the Party Leader must occur immediately. The means by which the change occurs is critical to the success of the replacement as is the identity of the successor. The candidate should be from the South or Southeast regions and ideally have limited association with the previous government. If the Party of the Regions cannot reform its own organization why do we believe we can convince the voters that they can deliver on their top priority — reforming government.

B. Organizational Re-structuring

Even considering all of its current difficulties, the Party of Regions remains a powerful and organized political force in Ukraine. The problem is that as it is currently constituted and with the direction it is presently heading, its relevancy and attraction will rapidly disintegrate without a major overhaul organizational.

The Party has one of the more developed regional party structures in Ukraine. It exists in every oblast with some semblance of staffing throughout the structure. In varying degrees of efficiency, the Party still maintains offices, communications, and qualified personnel. We must build on our core capabilities first.

With strategic guidance from the national headquarters, the organizational effort can double as it unfolds into a campaign structure.

The main difficulty confronting the restructuring of the Party is the shortage of time to accomplish the priorities essential to run a credible Parliamentary election campaign. The efforts which must be implemented this year include:

- 1. the identifying training of the regional political leaders,
- infusing leadership with updated political methods, communications tools and materials to work with party leaders and voters,
- the development of a program of new ideas to offer a credible alternative to the voters, and
- 4. the revising of the image of the Party.

The first requirement is to identify the areas where we need to build the organizational structure to compete in the Parliamentary election. The core concept to our strategy is that we are going to build the best regional Party operation for this election cycle. We will build a more national Party capability in 2006 after the elections

From the audit that we conducted, we have identified 11 regional organizations with strong potential. They still have active leadership, infrastructure support (offices, telephones, vehicles, and a certain number of the members who work and get salaries,

and are ready to start aggressive political activities). Those regions are Crimea, Dnipropetrovsk, Donetsk, Zhytomyr, Zaporizhzhya, Luhansk, Mykolayiv, Odessa, Poltava, Kharkiv, and Sevastopol City.

These 11 regions coincide with the areas that we are prioritizing our efforts from a strategy standpoint based on the National Survey.

The likelihood of developing our training and resource allocation beyond these 11 areas is remote for this Parliamentary election. We will maintain a connection to the other 16 organizations because there is no need to dismiss them. However, financial planning, candidate recruitment, resource allocation and most other organizational efforts will center on building the best Party operations and communications structure possible. It will be in these 11 regions that the predominant representation of the Party of Regions in the new RADA will come from.

The political audit found that 8 organizations have medium potential with active leadership, infrastructure support, and personnel, but are hesitant to support the party in the framework of the current situation. Additionally, the audit determined that there are 8 party organizations with very little potential. They are run by former regional administrative leaders who have been dismissed by the new government and, following their dismissal, have lost interest in the party's activities or are afraid of working in the party. However, these areas still have some assets.

From a priority standpoint, the 11 regional organizations should receive the initial emphasis of the training and re-structuring. Whether we need to penetrate any deeper into the other regions will be dependent on what is required to re-organize the 11 targeted regions. This activity can commence even while the Leader question is being resolved. The training and restructuring will look at a series of issues, including the current state of financial and organization capabilities, identification of regional and local political operatives, training of those operatives, development of a system to revise the communication program from the regional HQ to the local levels and tie more directly into the national Headquarters.

In structuring any deals with other Parties to organize an election coalition, the strength of these 11 regions will be what the Party of Regions brings to the table. While we will function and build regionally we must act and be perceived as a national party.

Beyond reorganizing the regional offices, a focus needs to be placed on improving the communications between the Party Central HQ and the regional offices and the voters. The training program will include development of materials on all necessary political organizing and voter contact and training of the leadership on how to effectively use the materials.

This component of the program will include:

- Activation of the Party's activities (various regional and local conferences, seminars and trainings) so that the proposals to develop the new program and platform of the Party come from the grassroots level,
- 2. A National Conference to prepare the agenda for a new National Party Congress, which will assemble the best 50-100 people nationally, widely publicized as "different people using different approaches and creative thinking to revive the Party and make it closer to the people, and establishing communication links between grassroots organizations and ordinary people,
- A media campaign presenting these regional and local conferences as signs of the revival,
- 4. A new National Congress 500 to 1000 people, held in October, that will adopt the new agenda, program of the party, platform of the party, and approve the block strategy of preparation for the elections. It will attract attention of Ukrainian and western mass media,
- 5. A massive information campaign following the Congress, showing that it is not a Regional, but a NATIONAL party offering new strategic solutions for the country, including new regional people from all around Ukraine. Obviously, given the 11 regions focus, the national nature of this media strategy is meant to convey a national presence even though we are not financing and building such an entity for this election,
- Another National Congress (as required by the law) to approve of the party coalition lists that produce the official party list.

While changing the method of operations and training the personnel, it will be necessary to review the central components of our Party Platform and to modernize it to reflect the needs of the upcoming legislative session and Parliamentary campaign. The regional conferences and Party Congresses noted above will be the means by which we update our platform and make it more voter-responsive. In a similar vein, it is necessary to organize an opposition research program to track the legislative record of the Government and identify the broken promises and abuses of power.

Additionally, we will need to develop a system for composing the party list that is consistent with where we are applying our resources and where we are depending on the coalition members to produce. The system must include the criteria and procedures used in forming this list, and how our selections process serves the needs to form a wider coalition.

With this new restructuring program, we will then be in position to promote the "new" Party of Regions – new leadership, new platform, new look, new image. A media blitz, fashioned off a western model, will be implemented in the Fall to promote this new image. It is a central component of the Parliamentary election plan because it begins the re-positioning necessary to make the Party of Regions more acceptable to the electorate.

3. Developing the Electoral Strategy for the Parliamentary Elections

Even accomplishing the objectives of the re-structuring of the organization and image of the Party, it will be near impossible to conduct a national campaign to capture control of the Parliament based primarily on the Party of Regions political appeal. As the Survey research has clearly demonstrated, the upside potential for the Party outside of its base areas is very limited. Even with a new image, there is not enough time to credibly persuade the voters in other regions of Ukraine that the new Party of Regions is "the real thing", especially with the enormous popularity levels of the current Administration.

This recognition demands a piecemeal strategy to electing enough RADA members to be a real force in the new Parliament. There are 3 real options to be considered. All have certain attractions and disadvantages.

Incorporated in all 3 options is the new method of electing Parliamentarians. Under the new law, Parliamentarians are elected off of a national slate approved by the Party subject to a pro rata allocation after attaining the qualifying threshold of 3% of the total vote cast. While this may not seem like a very high threshold, only 4 parties currently meet that threshold in our national Survey with a full quarter of the electorate saying they are uncertain how they will vote. This undecided number is enough to give Our Ukraine an absolute majority. More likely, if the Our Ukraine and Tymoshenko coalition holds, the undecided will give the coalition a majority government.

In any event, dependent on the state of the economy, our ability to shake the voter's confidence in the economic performance of the Government is dependent on the successful retooling of the Party of Regions image leading to a successful agreement with other parties to run as a team, increases chances of attaining majority control are theoretorically in play. More likely, a strong Minority Coalition can be elected and would be strong enough to protect interests and avoid the continued settling of political scores.

A. Building a Minority Coalition Option

This option envisions attracting enough partners to form a credible Opposition Slate to run against the current Governing Coalition. It assumes that the current members maintain their commitment to run as a team. This assumption is not a "sure" thing but for purposes of this Option, it is treated as a given.

The Goal would be to use the Party of Regions strength in the South and Southeast as the foundation. Then, we will need to identify opportunistic partnerships with lesser parties who may have difficulty reaching the 3 percent threshold on their own. The presumption is that with financial support and some political voter assistance by the Party of Regions that smaller parties' electoral chances would be enhanced and in so doing add to the RADA members in opposition led by the Party of Regions.

This Option will require close co-operation between the members of the coalition and financial and training resources dedicated to assisting the members. The risks are that after the election successful members could bolt the Party.

Even if successful, the Option assumes that the Party of Regions is in the minority. If there is a significant erosion of the base of the Governing Coalition, the prospects for gaining some foothold in the Governing Coalition is possible. This outcome will require a deal being struck with most of the smaller parties, and probably riding the appeal of the Socialist Party, especially given the fact that the Socialist Party is the only other favorably viewed political party. This could change but in all likelihood will still be the same later this year. The key question regarding the Socialist Party is can they get their act together to advantage itself of its reputation and would it be willing to become a part of such an arrangement?

B. Running Alone Option

This Option assumes that the Party is not attractive to any potential coalition partner and must run alone. This Option will not dramatically alter the plan called for in the reorganization of the party structure and image. However, instead of spreading some of the financial resources to other groups, the money and efforts are focused in the 11 targeted regions and geared to get our percentage number up. Given the revised election laws, getting a large percentage of the vote in one region will have the same result of getting a more spread out vote throughout the country. The regionally disproportional vote is not relevant, only the absolute percentage against the field.

By concentrating considerable resources where the image is already strong and framing the campaign in such a way that it will produce a high turnout locally for the Party of Regions, the Party can emerge as the strongest opposition party and be in a position to build off the work in 2005 leading to the next Presidential election.

C. The "Big Deal" Coalition

In analyzing all options, there is a longshot option that should not be ignored, making a deal with President Yushchenko and running as a member of his coalition.

The principal argument in support of this deal is that the only Party in the Country which has something to offer in a deal with Our Ukraine is the Party of Regions. It is the only Party whose support is unattainable by Our Ukraine. The profile of the two political parties creates the most unified ticket of candidates, regionally and ethnically.

By creating such a coalition, the Our Ukraine Party will ensure its majority position in the Government and can lay claim to a willingness to forget the past, unite the country and move forward in partnership to build a stable society founded on the rule of law and a market economy.

While such a coalition would seem, on first blush, to be difficult for the Party of Regions to deliver its voter base given the philosophical differences, upon closer analysis it is very doable. As has been discussed earlier, the real glue to the Party of Regions over the past 5 years has been its ability to guarantee its members that they would have access to the benefits of controlling the reins of government. The Party has never been held together by an ideological philosophy. It has always been opportunistic in what it is offering its members. This deal is totally consistent with that history.

The fact that the deal is with the enemy is not as troubling to our base as it will be to Yushchenko's base. They are much more idealistic. The case will have to be made by the President that the coalition ensures the ultimate success of the revolution by making the Party of Regions "an orange party" and keeping control of the key mechanisms of power in the hands of the original leaders of the revolution. He can also point to the purging of the corrupt elements of the Party Leadership, as represented by Yanukovich, as completing the defeat of the old regime and with this new partnership ensuring that those old elements will never have an opportunity to return to power.

While it is likely that some of the base support of Our Ukraine will never accept such a deal, most of it would follow Yushchenko. Coupled with the voter base delivered by the Party of Regions, even with this erosion, the coalition could find itself to be a Majority Coalition without any other parties.

This Option is the most rewarding for the Party of Regions and its principal backers. It gives the Party a seat at the governing table at a time when it is not ready to be the majority partner. It provides safety for the assets of the principal backers of the Party of Regions by virtue of membership in the Government. It provides the Party of Regions the public platform and time that it needs to mature its new generation of leaders and finally it positions the Party to take over control of the Government during the course of the next election.

For Yushchenko, he gets credit with Ukraine and the world for uniting his country and he gets the political support he needs to complete his reforms of government and the economy. These accomplishments will create his place in history.

While the ability to strike this deal is a long-shot, the benefits that accrue to the Party of Regions are well worth the effort. Of the 3 Options, this is one that guarantees what we are looking for. It should be thoroughly explored.

4. Timetable

Each of the elements of this program has its own schedule. They interact with each other but must be pursued independently given the time constraints of getting everything done in the time required. The overall political plan for the actual Parliamentary elections will be constructed based on a National Survey that will measure in a more meaningful time frame the voter attitudes on the Yushchenko Administration and the completion of the re-organization of the Party of the Regions. The creation of an election coalition does not need to be determined until we are in the next phase of the strategy although the groundwork for all options, including the financial commitments and identification of potential partners should be on-going.

A. The Re-organization Phase

This is the next phase into which we are entering. During this phase, we must complete the change of leadership of the Party of Regions, begin the training of party operatives, organize the communications program for the Party of Regions, develop the policy program with the regional leadership and identify a legislative strategy for the Fall.

All of this activity must be completed by September 15.

It is anticipated that, as this phase is concluding, we will conduct another National Survey to measure the impact of the re-organization efforts on the Party's appeal and image and to update the research on voter opinions of the Governing Coalition. By this time, the halo effect of the election will be gone and people will be making judgments on the performance and competence of the Government. This information will be critical to the main objectives of the next phase.

B. The Deal Making Phase

This is when finalize how we will go into the Parliamentary elections. The key actions to be taken during this phase revolve around where we are going to compete actively, with whom we will seek partnership, the creation of the National list and the build-out of the communications and image-building effort for the new Party. The national Congress and regional congresses will occur during this time period.

All of this activity must be completed by the beginning of the election period which will be some time in November.

Once we have completed these actions, we will do the final National Survey. It will measure public reaction to our nominees, our election partners, and our new image. Our General Election Campaign Strategy and tactical plan will be developed from this Survey.

At the completion of this Phase, we are into the Parliamentary Elections.

C. The Parliamentary Elections

This Phase is the elections phase. The management of the campaign, the strategy of the campaign and the tactical application of the resources of the campaign will be driven by a campaign plan that is written off of the Deal Phase survey.

We will update our strategy based on tracking polls that will be conducted on a weekly basis for the purpose of fine tuning where we are spending our time and resources based on how the campaign is resonating with the public. Based on who our coalition partners are, we will have an active international component to the campaign to ensure that we avoid the pitfalls that impacted the Yanukovich campaign. The strategy behind the international efforts will be set out in the Campaign Strategy Plan.

This Phase is completed on Election Day. If we successfully implement our plan, there will be no need for an unanticipated round of elections!!

Summary

IV. Summary

This document reflects considerable research and analysis of the findings of that research. However, politics is as much an art as a science and the successful application of the recommendations of this plan will require considerable attention to detail and timing.

The core recommendations of this document are very big decisions.

Taking Yanukovich out of power is not going to be easy but is absolutely necessary for any successful implementation of the strategy. If he remains in power, the Party of Regions will be buried in this election. Removing him and replacing him with a new face creates opportunity. But finding the new face will not be easy. The profile must be someone credible but not connected to the old regime. Getting someone to take this position may be as difficult as identifying that person.

Building a new organization in the time required will require identifying party leaders, getting them to commit to a program of training and politics during the summer period and motivating them to work very hard during a phase when the likelihood for success will not be very apparent to the uneducated participant.

Finally, cutting a deal with President Yushchenko (as the preferred partner) will most likely be the most difficult task. But, the benefit of such a deal guarantees that one day, in the not too distant future, we will govern Ukraine again.

In assessing the seemingly impossibility of accomplishing these objectives it is important to realize that the seemingly impossible can come true if planned correctly, executed and financed efficiently and promoted correctly.

To those who say this is too much of a long shot, I would simply refer them to Kyiv and ask this simple question:

"One year ago today, who would have ever forecast that the President of Ukraine would be Victor Yushchenko?"

The impossible may seem like a dream, but dreams do come true!